

FILE 100-1

TRANSCRIPT OF RECORD

---

Supreme Court of the United States

OCTOBER TERM, 1959

No. 15

NATIONAL LABOR RELATIONS BOARD PETITIONER,

INSURANCE AGENTS INTERNATIONAL UNION,  
ANNUAL

WRIT OF HABEAS CORPUS TO THE U.S. SUPREME COURT OF APPEALS  
FOR THE DISTRICT OF COLUMBIA CIRCUIT

Petition for certiorari filed December 4, 1958

Order granted January 26, 1959

# SUPREME COURT OF THE UNITED STATES

OCTOBER TERM, 1959

No. 15

NATIONAL LABOR RELATIONS BOARD, PETITIONER,

vs.

INSURANCE AGENTS INTERNATIONAL UNION,  
AFL-CIO

ON WRIT OF CERTIORARI TO THE UNITED STATES COURT OF APPEALS  
FOR THE DISTRICT OF COLUMBIA CIRCUIT

## INDEX

|   | Original | Print |
|---|----------|-------|
| Proceedings before National Labor Relations Board                                     |          |       |
| Complaint .....   | 3        | 1     |
| Answer .....  | 9        | 6     |
| Trial Examiner's Intermediate Report .....  | 10       | 6     |
| Decision and order issued by NLRB .....   | 33       | 27    |
| Appendix—"Notice to All Members and All Employees" .....                              | 44       | 36    |
| Order correcting decision and order .....   | 45       | 37    |
| Transcript of testimony .....   | 1        | 38    |
| Appearances .....   | 1        | 38    |
| Statement of Mr. Kaynard .....  | 59       | 39    |
| Motion to receive in evidence General Counsel's Exhibits Nos. 2 through 24, etc. .... | 66       | 39    |
| Stipulation re General Counsel's Exhibits Nos. 25 through 28 .....                    | 76       | 40    |
| Offers in evidence .....  | 78       | 41    |

|   | Original | Print |
|---|----------|-------|
| Statement of Mr. Kaynard .....  | 247      | 53    |
| Testimony of Alfred Rosner—direct .....   | 276      | 55    |
| —cross .....  | 322      | 57    |
| Renewal of motion to dismiss, etc. ....   | 360      | 61    |
| General Counsel's Exhibits .....  | 494      | 61    |
| No. 25—Agreement between The Prudential Insurance Company of America and Insurance Agents' International Union (AFL), dated March 15, 1954 (excerpts) ..... | 494      | 61    |
| No. 32—Letter from George L. Russ, President to The Presidents of All Local Unions of the IAIU, dated May 31, 1955 .....                                    | 500      | 63    |
| No. 33F—Letter from George L. Russ, President to Prudential Members, dated March 13, 1956 .....   | 502      | 46    |
| No. 33L—Letter from George L. Russ, President to Prudential Members, dated March 23, 1956 .....   | 503      | 67    |
| No. 33N—Letter from George L. Russ to Prudential Members, dated March 28, 1956 .....  | 507      | 72    |
| No. 33P—Letter from George L. Russ to Presidents of All Prudential Local Unions, dated April 4, 1956 with attachment "Petition" .....                       | 510      | 77    |
| No. 33Q—Letter from George L. Russ, President to Prudential Members, dated April 6, 1956 .....  | 514      | 82    |
| No. 33U—Letter from George L. Russ, President to Prudential Members, dated April 12, 1956 .....   | 516      | 86    |
| No. 33V—Letter from George L. Russ, President to Presidents of Prudential Local Unions, et al., dated April 16, 1956 .....                                  | 518      | 90    |
| No. 33Y—Letter from George L. Russ, President to Prudential Members, dated April 19, 1956 .....   | 519      | 93    |
| General Counsel's Exhibits: .....   | 521      | 98    |
| No. 33MM—Letter from George L. Russ to Prudential Members, dated May 23, 1956 .....   | 521      | 98    |
| No. 33SS—Letter from George L. Russ to Presidents of Prudential Local Unions, et al., dated June 4, 1956 .....  | 523      | 102   |
| No. 33XX—Letter from George L. Russ to Prudential Members, dated June 21, 1956 .....  | 524      | 104   |

|   | Original | Print |
|---|----------|-------|
| No. 34—Leaflet, "Prudential Agents Seek a Satisfactory Contract!" .....   | 525      | 105   |
| No. 38F—Letter from Joseph Pollack, President to "Dear Brother", dated April 3, 1956 .....  | 526      | 105   |
| No. 38Q—Letter from Joseph Pollack, President to "Dear Brother", dated May 3, 1956 .....  | 527      | 107   |
| No. 38U—Letter from Joseph Pollack, President to Mr. Charles Wiederer, dated May 25, 1956 .....   | 528      | 109   |
| No. 40A—Picket sign, "Prudential Insurance Company of America Refuses a Satisfactory Contract to its Agents, etc." .....  | 529      | 111   |
| No. 42—Leaflet, "The Prudential Insurance Company Has Refused Us a Fair Contract, etc." .....   | 531      | 113   |
| No. 44A—Policy Holder Petition addressed to Carrol M. Shanks .....  | 532      | 113   |
| General Counsel's Exhibits: .....   | 533      | 114   |
| No. 45—Leaflet, "The Prudential Insurance Company of America is Creating a Labor Dispute, etc." .....   | 533      | 114   |
| Nos. 59A thru 59M—Statistics of District Agencies Home Office combined all branches new business—week by week .....   | 534      | 115   |
| Nos. 60A thru 60M—Graph charts correlating the material in Exhibits Nos. 59A thru 59M .....   | 547      | 129   |
| Respondent's Exhibits: .....  | 557      | 139   |
| Nos. 1Y, 1Z, 1AX, 1SS, 1XX—Transcript of proceedings of Contract Negotiations Meeting of Insurance Agents International Union, AFL-CIO and The Prudential Insurance Company, March 1, 2, 3, 5, 23 and April 5, 1956 (excerpts from) ..... | 557      | 139   |
| No. 1UU—Stipulation adding parts to Respondent's Exhibit "1" (excerpts from) .....  | 585      | 147   |
| Proceedings in the U.S.C.A. for the District of Columbia Circuit .....  | 592      | 153   |
| Opinion, Per Curiam .....   | 592      | 154   |
| Judgment .....  | 593      | 154   |
| Clerk's certificate (omitted in printing) .....   | 594      | 155   |
| Order allowing certiorari .....   | 595      | 155   |



## BEFORE THE NATIONAL LABOR RELATIONS BOARD

## SECOND REGION

Case No. 2-CB-1726

INSURANCE AGENTS' INTERNATIONAL UNION, AFL-CIO

and

THE PRUDENTIAL INSURANCE COMPANY OF AMERICA

**Complaint—Issued June 5, 1956**

It having been charged by The Prudential Insurance Company of America, 763 Broad Street, Newark, New Jersey, herein called Prudential, that Insurance Agents' International Union, AFL-CIO, 724 9th Street, N. W., Washington, D. C., herein called Respondent, has engaged in and is now engaging in certain unfair labor practices affecting commerce as set forth and defined in the National Labor Relations Act, as amended, 61 Stat. 136, hereinafter referred to as the Act, the General Counsel of the National Labor Relations Board, on behalf of the Board, by the Regional Director for the Second Region, designated by the Board's Rules and Regulations—Series 6, as amended, Section 102.15, hereby issues this Complaint and alleges as follows:

1. A copy of the Charge in this proceeding was served by registered mail upon Respondent on April 9, 1956.

2. Prudential is, and has been at all times herein mentioned, a corporation duly organized under and existing by virtue of the laws of the State of New Jersey.

3. At all times herein mentioned, Prudential has maintained its principal office and place of business at 763 Broad Street, in the City of Newark, State of New Jersey, herein called the Home Office, and branch offices and places of business in forty-six states of the United States and in the District of Columbia, and is now and has been continuously engaged at said offices and places of business in the business of selling and issuing life insurance, group insurance and annuity contracts.

4(a) During the year ending December 31, 1955, Prudential, in the course and conduct of its business opera-

tions, sold, issued and had outstanding insurance contracts to persons residing in forty-eight states of the United States and the District of Columbia.

(b) During the same period, Prudential received as premiums on said insurance contracts a sum in excess of one billion dollars and paid out on claims under said insurance contracts a sum in excess of one-half billion dollars.

5. Prudential is, and has been at all times material herein, engaged in commerce within the meaning of Sections 2(6) and (7) of the Act.

6. Respondent is, and has been at all times material herein a labor organization within the meaning of Section 2(5) of the Act.

7. All District Agents employed by Prudential in the States of Alabama, California, Colorado, Connecticut, Delaware, Florida, Georgia, Illinois, Indiana, Iowa, Kansas, Kentucky, Louisiana, Maine, Maryland, Massachusetts, Michigan, Missouri, Nebraska, New Hampshire, New Jersey, New York, North Carolina, Oklahoma, Oregon, Pennsylvania, Rhode Island, South Carolina, Tennessee, Utah, Vermont, Virginia, Washington and West Virginia, the District of Columbia, and the Cities of Toledo and Bryan, Ohio, exclusive of managers, staff managers, agencies service representatives, office supervisors, assistant office supervisors, clerks and all supervisors as defined in Section 2(1) of the Act constitute a unit appropriate for the purposes of collective bargaining within the meaning of Section 9(b) of the Act.

8. On or about August 4, 1949 a majority of the employees of Prudential in the unit described above in paragraph 7 designated or selected the Respondent as their representative for the purposes of collective bargaining with Prudential.

9. At all times since August 4, 1949, and at all times material herein, Respondent, has been the representative for the purposes of collective bargaining of a majority of the employees in the unit described above in paragraph 7 and, by virtue of Section 9(a) of the Act, has been and is now the exclusive representative of all the employees in said unit for the purposes of collective bargaining with

respect to rates of pay, wages, hours of employment and other conditions of employment.

10(a) The most recent contract between Respondent and Prudential, covering employees of Prudential within the unit described above in paragraph 7, expired on or about March 19, 1956.

(b) From about January 16, 1956 to date, Respondent and Prudential, by their respective officers, agents or representatives, have met on various occasions to negotiate a new collective bargaining agreement covering the employees in the unit described above in paragraph 7.

11. On or about March 13, 1956, and at all times thereafter, while Prudential was engaged in the operations of its business and during the negotiations described above in paragraph 10(b) Respondent, by its officers, representatives, members, employees of Prudential in the unit described above, local unions and agents, did fail or refuse, and continues to fail or refuse, to bargain collectively with Prudential, as the exclusive collective bargaining representative of the employees in the unit described above in paragraph 7, in that:

(a) On various dates during the period from about March 13, 1956 to date, Respondent did, and/or initiated, authorized, directed, sanctioned, ratified, supported, induced or encouraged employees in the above-described unit to, fail or refuse to solicit or write "business";

(b) On various dates during the period from about March 13, 1956 to date, Respondent did, and/or initiated, authorized, directed, sanctioned, ratified, supported, induced or encouraged employees in the above-described unit to, fail or refuse to perform customary duties in accordance with customary routines, schedules, or instructions;

(c) On various dates during the period from about March 13, 1956 to date, Respondent did, and/or initiated, authorized, directed, sanctioned, ratified, supported, induced or encouraged employees in the above-described unit to, engage in slowdowns in the performance of duties;

(d) On various dates during the period from about March 13, 1956 to date, Respondent did, and/or initiated, author-

ized, directed, sanctioned, ratified, supported, induced or encouraged employees in the above-described unit to, report-in late at their offices;

(e) On various dates during the period from about March 13, 1956 to date, Respondent did, and/or initiated, authorized, directed, sanctioned, ratified, supported, induced or encouraged employees in the above-described unit to, engage in sit-ins at their offices;

(f) On various dates during the period from about March 13, 1956 to date, Respondent did, and/or initiated, authorized, directed, sanctioned, ratified, supported, induced or encouraged employees in the above-described unit to, fail or refuse to depart from their offices, in accordance with customary routines or schedules;

(g) On various dates during the period from about March 13, 1956 to date, Respondent did, and/or initiated, authorized, directed, sanctioned, ratified, supported, induced or encouraged employees in the above-described unit to refuse to depart from their offices, notwithstanding instruction from superiors to depart therefrom;

(h) On various dates during the period from about March 13, 1956 to date, Respondent did, and/or initiated, authorized, directed, sanctioned, ratified, supported, induced or encouraged employees in the above-described unit to, engage in demonstrations and/or picketing in front of the Home Office of Prudential;

(i) On various dates during the period from about March 13, 1956 to date, Respondent did, and/or initiated authorized, directed, sanctioned, ratified, supported, induced or encouraged employees in the above-described unit to, engage in demonstrations in front of their offices;

(j) On various dates during the period from about March 13, 1956 to date, Respondent did, and/or initiated, authorized, directed, sanctioned, ratified, supported, induced or encouraged employees in the above-described unit to engage in picketing in front of their offices;

(k) On various dates during the period from about March 13, 1956 to date, Respondent did, and/or initiated, authorized, directed, sanctioned, ratified, supported in-

duced or encouraged employees in the above-described unit to engage in the distribution of leaflets to the public and to policyholders;

(l) On various dates during the period from about March 13, 1956 to date, Respondent did, and/or initiated, authorized, directed, sanctioned, ratified, supported, induced or encouraged employees in the above-described unit to solicit, from policyholders, signatures for letters addressed to Prudential concerning the collective bargaining negotiations between Respondent and Prudential;

(m) On various dates during the period from about March 13, 1956 to date, Respondent did, and/or initiated, authorized, directed, sanctioned, ratified, supported, induced or encouraged employees in the above-described unit to, breach the "18½F Agent's Agreement" between said employees and Prudential;

(n) On various dates during the period from about March 13, 1956 to date, Respondent did, and/or initiated, authorized, directed, sanctioned, ratified, supported, induced or encouraged employees in the above-described unit to, refuse to perform duties in accordance with Prudential's "Instructions to Agents";

(o) By its entire course of conduct during the period from about March 13, 1956 to date Respondent has evinced its failure or refusal to bargain in good faith with Prudential.

12. By the acts described above in paragraphs 10 and 11, and by each of said acts, Respondent did engage in and is engaging in unfair labor practices within the meaning of Section 8(b)(3) of the Act.

13. The activities of Respondent, described above in paragraphs 10 and 11, occurring in connection with the operations of Prudential, described above in paragraphs 2, 3, and 5, have a close, intimate and substantial relation to trade, traffic and commerce among the several states and tend to lead to labor disputes burdening and obstructing commerce and the free flow of commerce and constitute unfair labor practices affecting commerce within the meaning of Section 8(b)(3) and Section 2(6) and (7) of the Act.

9 WHEREFORE, the General Counsel of the National Labor Relations Board, on behalf of the Board, by the Regional Director for the Second Region on this 5th day of June, 1956 hereby issues this Complaint against Insurance Agents' International Union, AFL-CIO, Respondent herein.

Charles T. Douds  
Regional Director  
National Labor Relations  
Board  
2 Park Avenue  
New York 16, New York

*Duly sworn to by George L. Russ jurat omitted in printing*

BEFORE THE NATIONAL LABOR RELATIONS BOARD

**Answer—June 22, 1956**

Respondent answers the Complaint in this proceeding by admitting the allegations of paragraphs 1 through 10, inclusive, of the Complaint; and denying each and every allegation of paragraphs 11, 12, and 13.

Paragraphs 11, 12 and 13 consist exclusively of conclusory and generalized statements which contain no factual allegation.

For want of particulars as to both the facts and the violations of law alleged, this Answer cannot contain any statement with respect to facts which constitute the ground of defense. A Motion for Bill of Particulars is filed herewith.

ISAAC N. GROSSER  
*Attorney for Respondent*

June 22, 1956

10 BEFORE THE NATIONAL LABOR RELATIONS BOARD

**Intermediate Report—Dec. 7, 1956**

STATEMENT OF THE CASE

A charge having been duly filed and served, a complaint and notice of hearing thereon having been issued and served by the General Counsel of the National Labor Relations Board, and an answer having been filed by the

above-named Respondent, a hearing involving allegations of unfair labor practices in violation of Section 8 (b) (3) of the National Labor Relations Act, as amended, 61 Stat. 136, herein called the Act, was held in New York, New York, on various dates between June 27 and September 11, 1956, before the undersigned Trial Examiner.

As to the unfair labor practices in substance the complaint alleges and the answer denies (both having been amended, in minor respects, early in the hearing):

11 that by directing its members to engage in certain concerted "slow-down" activities during a period when it was negotiating, as the legal bargaining representative of employees in an appropriate unit, with the Charging Employer for a new contract, the Respondent Union refused to bargain collectively within the meaning of Section 8 (b) (3) of the Act.

At the hearing all parties were represented, were afforded full opportunity to be heard, to examine and cross examine witnesses, to introduce evidence pertinent to the issues; to argue orally upon the record, and to file briefs and proposed findings of fact and conclusions of law. Arguments at the conclusion of the hearing were waived. Briefs have been received from the Employer and the Union; both have been carefully considered.

After the close of the hearing, the Trial Examiner received a written Stipulation, of eight pages, covering certain matters discussed on the record the final day of the hearing. It had then been agreed, by all counsel and the Trial Examiner, that if a stipulation could be reached, it would be forwarded and made a part of the record. It is hereby ordered that said Stipulation be made a part of the record in this case as Respondent's Exhibit 1-UUU.

Also after the close of the hearing the Trial Examiner received from General Counsel a letter dated September 19, 1956, indicating upon its face that copies had been forwarded to other counsel in the case, requesting the re-numbering of certain exhibits placed in evidence by counsel for the Respondent. This request was occasioned by the fact that when substitution, agreed upon in advance by counsel, was made for some 46 volumes of negotiating transcripts received in evidence, it turned out that because of difference in binding there are in fact 72 volumes. Gen-

eral Counsel's request for renumbering of Respondent's Exhibit No. 1, as explicitly set out in the aforesaid letter, is hereby granted. The letter referred to is also hereby made a part of the record, and is to be marked General Counsel's Exhibit 1-U.

Upon the entire record in the case, and from his observation of the one witness, the Trial Examiner makes the following:

## FINDINGS OF FACT

### I. THE BUSINESS OF THE COMPANY

The Prudential Insurance Company of America is a New Jersey corporation, having its principal office and place of business in Newark, New Jersey, with branch offices and places of business in 46 states of the United States and in the District of Columbia. It is engaged in the business of selling and issuing life insurance, group insurance, and annuity contracts.

During the year ending December 31, 1955, Prudential received as premiums on insurance contracts a sum of more than one billion dollars, and paid out on claims under such contracts a sum of more than one-half billion dollars.

Prudential, the Charging Employer, is engaged in commerce within the meaning of the Act.

### II. THE LABOR ORGANIZATION INVOLVED

Insurance Agents' International Union, AFL-CIO, is a labor organization admitting to its membership employees of the Charging Employer.

### III. THE ALLEGED UNFAIR LABOR PRACTICES

#### *A. Background and issues*

This case stems from a charge filed by Prudential in April, 1956, during the period of its bargaining for a new contract with the Respondent Union. Based upon the charge, General Counsel's complaint, issued in June (also during the negotiating period), alleges that while negotiating the Union directed Prudential's employees to engage in certain concerted activities, described generally as "slow-downs," and that by initiating

and encouraging such conduct the Respondent "evinced its failure or refusal to bargain in good faith with Prudential," thus violating Section 8 (b) (3) of the Act.<sup>1</sup>

In its answer, motions, objections and brief the Respondent opposes—not the major facts alleged—but the legal conclusions and theory involved. In substance, it may be said that the Respondent denies that slow-downs during the course of negotiations, *per se*, establish "bad faith" bargaining or a refusal to bargain.

Having noted the nature of the combat, the Trial Examiner turns to a brief description of the arena, the opponents, and the material events. As to all factual matters the evidence is not in dispute, but appears in the record as admissions, concessions, or stipulations.

All parties agree that the Respondent is now, and for some time has been, the exclusive bargaining representative, within the provisions of Section 9 (a) of the Act, of Prudential's district agents in an appropriate unit covering 34 States, the District of Columbia, and the cities of Toledo and Bryan, Ohio.<sup>2</sup>

1 This section reads: (It shall be an unfair labor practice for a labor organization or its agents \* \* \*) "to refuse to bargain collectively with an employer, provided it is the representative of his employees subject to the provisions of Section 9 (a)." The term "bargain collectively" is thus defined in Section 8 (d): "For the purposes of this section to bargain collectively is the performance of the mutual obligation of the employer and the representative of the employees to meet at reasonable times and confer in good faith with respect to wages, hours, and other terms and conditions of employment, or the negotiation of an agreement, or any question arising thereunder, and the execution of a written contract incorporating any agreement reached if requested by either party, but such obligation does not compel either party to agree to a proposal or require the making of a concession. . . ."

2 The specific allegations of the complaint on this unit point, admitted by the answer, read as follows: "During the period from about January 16, 1956 to about April 23, 1956, all District Agents employed by Prudential in the States of Alabama, California, Colorado, Connecticut, Delaware, Florida, Georgia, Illinois, Indiana, Iowa, Kansas, Kentucky, Louisiana, Maine, Massachusetts, Michigan, Missouri, Nebraska, New Hampshire, New Jersey, New York, North Carolina, Oklahoma, Oregon, Pennsylvania, Rhode Island, South Carolina, Tennessee, Utah, Vermont, Virginia, Washington and West Virginia, the District of Columbia, and the cities of Toledo and Bryan, Ohio, exclusive of managers, staff managers, agencies' service representatives, office supervisors, assistant office supervisors, clerks and all supervisors as defined in Section 2 (11) of the Act constituted a unit appropriate for the purposes

14        Until about March 18, 1956, the parties had been operating under a 2-year contract which, by an appropriate exchange of letters and notices, was opened in January, 1956, for negotiation of a new agreement. Negotiations began about January 16 and were concluded with the execution of a new contract on July 17, 1956, during a recess in these proceedings—a recess specifically requested by the Respondent to permit the reaching of an agreement.

By the latter part of February the Respondent apparently became disturbed about the progress of negotiations and the approach of the contract's expiration date. On February 28 its president, George L. Russ, sent to the heads of all locals a long letter in which, while admitting "some progress" toward "a satisfactory contract," he expressed concern regarding "the attitude of the Company in view of their many proposed changes in the working conditions" and urged such union officials to prepare (1) for "any emergency action which will take place on March 20" and (2) to carry out "whatever directive is forthcoming (sic) from the International Union."

On March 13 Russ directed all officials and members: (1) to take a "strike vote" at a special meeting on March 18; and (2) to carry out the following program for the week beginning March 19 unless by then a satisfactory agreement with Prudential had been reached:

- 15        (1) Write no further business until a satisfactory agreement has been reached.
- (2) Take part in the demonstration in front of your district or detached office on March 21, 1956, between the hours of 12 and 4:00 p.m.
- (3) You are to take part in the demonstration at the various home offices of the Prudential on Friday, March 23, 1956.

---

of collective bargaining within the meaning of Section 9 (b) of the Act. During the period since about April 23, 1956, all District Agents employed by Prudential . . . [in all States and cities above-named plus the State of Maryland] exclusive of . . . [all excluded categories heretofore cited] constitute a unit appropriate for the purposes of collective bargaining within the meaning of Section 9 (b) of the Act."

The same directive stated: "During this period the Union shall continue its negotiations with the Company and make every effort to reach a satisfactory agreement. . . . Your participation is necessary to the success of this effort."

For the next several weeks similar instructions were issued by the Respondent and its agents which, in addition to the above-noted action on the part of members, called for late reporting at the office, for "sit-ins"—during certain periods, remaining in the office instead of visiting prospective or actual policyholders, for soliciting signatures upon petitions from policyholders, and for refusal to attend business conferences called by Prudential.

Members of the Respondent Union throughout the areas of the country covered by its jurisdiction, and to a greater or lesser degree of participation, carried out the instructions and directives issued by the Respondent.

These concerted activities, brought about by the Respondent's responsible action, are the conduct which is the nub of this case. There is no dispute that these activities were engaged in, that the Respondent is accountable for them, and that they were designed to influence the progress of negotiations for a new contract.

#### B. *Is the question open?*

A point raised by counsel for Prudential in his brief to the Trial Examiner should be disposed of. Counsel strenuously urges that the Trial Examiner has no choice but to follow, in his findings, conclusions and recommendations, the Board's determination of the same issues in its "Personal Products" decision and order. (16 *Textile Workers Union of America, et al.*, 108 NLRB 743.)

The history of that case, in substance, is as follows. The Board's decision issued May 5, 1954. On October 27, 1955, the essential features of the Board's conclusions and order were reversed by the United States Court of Appeals for the District of Columbia, Circuit. (*Textile Workers Union of America, et al.*, v. *N. L. R. B.*, 227 F.2d 409). The Board sought review by the Supreme Court. A writ of *certiorari* was granted April 2, 1956 (350 U.S. 1004). On October 15, 1956,—after the close of the hearing in this case—the Supreme Court withdrew its grant of *certiorari*, without comment. (352 U.S. 864)

So far as the Trial Examiner is aware, both from research and from claims of counsel, the Personal Products case is the only one yet decided by the Board involving the question posed here.

In his well-prepared brief, counsel for Prudential contends that the Supreme Court withdrew its grant of *certiorari* "because the NLRB filed a supplemental memorandum indicating that in this particular case the question may have become moot." He adds, "the prior action of the Supreme Court indicates that *certiorari* would probably be granted in a proper case." By "prior action," it is assumed that counsel means the prior grant of *certiorari*, since withdrawn.

As to the supplemental memorandum of the Board, referred to by counsel, the Trial Examiner has that document before him. Its final sentence reads:

Accordingly, *in our view* the instant case has *not* become moot. (Italics supplied.)

17 It appears clear that in the Board's opinion the case was not moot, and that this opinion was voiced clearly to the Supreme Court.

Furthermore, the Trial Examiner hesitates to read meaning into the Supreme Court's withdrawal of its previous grant—a mere withdrawal without explanation, and such hesitancy is suggested by a comment made by Gerard D. Reilly, a former member of the Board, an authority on labor law, and one not unfamiliar with the drafting of the Taft-Hartley amendments to the Act:

Of course, a denial of *certiorari* is not necessarily conclusive of the views of the Supreme Court. . . .<sup>3</sup>

The plain fact remains: at this moment the Trial Examiner, as an agent of the Board, is not in a position to cite as legal authority the Board's decision in Personal Products, since that decision has been reversed by the Circuit Court of Appeals.

Nor does the Trial Examiner believe that he is required, as counsel for Prudential urges in his brief, to conform his findings, conclusions and recommendations to the

<sup>3</sup> Clark Bros. Co., Inc., 70 NLRB at 811.

principles enunciated in the Board's decision in *Personal Products*. In support of his contention, counsel cites a number of cases in which the Board has said, in effect, that it need not acquiesce in any court decision until such time as the question involved may have been passed upon by the Supreme Court.<sup>4</sup> The Trial Examiner believes that counsel has overlooked the Board's majority decision in *Blue Flash Express, Inc.*, (109 NLRB 593) where the Board specifically overruled principles previously adhered to and followed decisions of Courts of Appeals.

48 The Trial Examiner finds in the history of the administration of the Act no existence of a rigid Board policy never to reconsider its interpretation of the law until so required by the Supreme Court. Board policy, if such there is on this point, seems to be one of discretion and judgment under the circumstances.

In short, the Trial Examiner is persuaded by the factors above noted that the major question in *Personal Products* is still an open one. And as to the evidence and issues herein involved, which differ both in detail and degree from those apparent in *Personal Products*, the Trial Examiner believes that the Board will wish to have before it, in the event the case comes to it for review, his findings and conclusions reached by independent judgment and not by an effort of clairvoyance or intuitive anticipation.

### C. "Unprotected" vs. "Unlawful"

Were the terms "unprotected" and "unlawful" of equal legal connotation, the Trial Examiner's task in this case would be measurably simplified. In many cases the Board has found slowdown to be unprotected. In *Phelps Dodge Copper Products Corporation*, (101 NLRB at 368) the Board said, citing other cases: "It is well established that a slowdown is a form of concerted activity unprotected by the Act." In that case the Board also said that the employer, "under established Board and court precedents" would have had a right to discharge employees participating in the slowdown, and further found that the employer was under no legal obligation to bargain, during the period

<sup>4</sup> Counsel cites: *Harvester War Depot, Inc.*, 63 NLRB 251; *Westinghouse Electric Corporation*, 72 NLRB 61; *Bethlehem Steel Company*, 89 NLRB 1477.

of the slowdown, with the labor organization responsible for the slowdown.

In no case coming to the Trial Examiner's attention, however,—except in Personal Products, which has been reversed by the Court—has the Board held, in effect, that a slowdown, being unprotected activities, is *per se* violative of the Act. Thus, there exists no Board or court precedent permitting the Trial Examiner to conclude, forthwith, that because the Respondent caused its members to engage in the unprotected activities of a slowdown it therefore violated the Act.

While there can be no reasonable doubt that *unlawful* concerted activities (those specifically prohibited by the Act) are, *per se*, unprotected activities, the Trial Examiner discerns no mandate in reason requiring the reverse to be considered as true. The words are not synonymous.

There appears to be a real distinction between a determination that by certain conduct employees have lost protection otherwise accorded them by the Act and a conclusion that by causing such conduct a labor organization has violated the Act, absent some expressed or clearly implied prohibition in the Act itself. Indeed, leveling of the two propositions would seem to be cautioned against by the language of the Act:

Sec. 13 Nothing in this Act, except as specifically provided for herein, shall be construed so as either to interfere with or impede or diminish in any way the right to strike, or to affect the limitations or qualifications on that right.

Sec. 501 When used in this Act:—

(2) The term "strike" includes any strike or other concerted stoppage of work by employees (including a stoppage by reason of the expiration of a collective bargaining agreement) and any concerted slow-down or other concerted interruption of operations by employees.

And the U. S. Supreme Court, in *N. L. R. B. v. International Rice Milling Co.*, (341 U. S. 665) voiced this warning:

- 20 By section 13 Congress has made it clear that . . . all . . . parts of the Act which otherwise might be read so as to interfere with, impede or diminish the union's traditional right to strike, may be so read only if such interference, impediment or diminution is "specifically provided for" in the Act.

In the same case the Supreme Court cited the following from its own previous opinion (*International Union v. Wisconsin Board*, 336 U. S. 245, 253).

While the Federal Board is empowered to forbid a strike, when and because its purpose is ~~only~~ that the Federal Act made illegal, it has been given no power to forbid one because its method is illegal—even if the illegality were to consist of actual or threatened violence to persons or destruction of property.

Nor does General Counsel venture to urge that the slowdown during negotiations, being unprotected activities, was *per se* a refusal to bargain, violative of the Act, and subject to a Board cease and desist order and court decree. In his several statements of position during the hearing he voiced, as bridging the gap between the slowdown facts established and the refusal to bargain conclusion he sought, the following claims, among others

- (1) the Union's expressed intent and purpose to bring pressure upon Prudential at the bargaining table;
- (2) by the slowdown creating "an atmosphere" which was not of a proper "give-and-take" nature, and was not "conducive to good faith bargaining";
- (3) failing to bargain in good faith; and therefore
- (4) refusing to bargain.

- Since General Counsel assumed the burden of proving his case, the points raised by him will first be considered, together with relevant points stressed by
- 21 counsel for Prudential in his brief.

## *D. Consideration of General Counsel's case*

### 1. Pressure and atmosphere

There can be no doubt, in view of the multitude of facts and documents stipulated in evidence, that the Respondent at all times made it perfectly clear to Prudential that its program of a concerted slowdown, morally characterized by General Counsel as "harassing tactics," was designed, intended, and carried out for the purpose of bringing pressure upon Prudential at the bargaining table. It seems unnecessary to burden this report with supporting quotations from the scores of documents and thousands of pages of transcript of the negotiations. In his letter to local presidents, quoted heretofore, Russ made it known on February 28—shortly before expiration of the contract—that "emergency action" might be necessary if agreement was not reached on a satisfactory new contract. On March 23, after the slowdown had begun, a union negotiator said to Prudential's representatives at the negotiating meeting that day,—in response to some apparent criticism from the employer of union members participating in the program:

Far from feeling that it demeans me, far from feeling that my policyholders don't understand what I'm doing, I consider it a mark of honor and a privilege to act as a union man; and let the record show that I say this day the one who has lost dignity has been the company, to allow this present wordage of this contract to go as long as it has so that the men at last have to take militant action to help us negotiate. (Page 3703, tr. of negotiations of March 23, 1956.)

The open, announced purpose of the Respondent's action was to bring pressure upon the employer at the bargaining table, and the plain object of the pressure was to obtain a contract satisfactory to it.

22 Was the object of the pressure illegal? Clearly not. The reaching of collective bargaining agreements satisfactory to the parties is, and has been since 1935, a major goal of the Act.

Was the bringing of pressure upon the employer at the bargaining table by action of employees in the field illegal? General Counsel does not so claim. In effect he concedes

that such pressure, if brought by a full strike, would be permissible and that action causing it would be fully protected by the Act.

The general proposition of bringing economic pressure upon an employer to gain economic advantages was passed upon many years ago by Chief Justice Taft, in *American Foundries v. Tri-City Council*, (257 U. S. 184) wherein he said:

Union was essential to give laborers opportunity to deal on equality with their employer. They united to exert influence upon him and to leave him in a body in order by this inconvenience to induce him to make better terms with them. They were withholding their labor of economic value to make him pay what they thought it was worth. The right to combine for such a lawful purpose has in many years not been denied by any court. The strike became a lawful instrument in a lawful economic struggle or competition between employer and employees as to the share or division between them of the joint product of labor and capital.

When the foregoing was quoted to him on the floor of the Senate on April 29, 1947, during debate upon certain amendments to the Act, of which he was co-author, the late Senator Taft replied:<sup>5</sup>

I fully subscribe to every word said there; and there is nothing in the bill which in any way operates against what is there stated.

23 The legal aspects of its object, of the pressure itself, and of the complete strike method of bringing pressure having been thus disposed of, the Trial Examiner turns to the apparent theory of General Counsel that half a strike is greater than the whole strike and, when indulged in during negotiations, must be presumed to exert such unique pressure upon the employer that the Board should find it illegal and subject to a cease and desist order.

First, it should be noted that neither General Counsel nor counsel for Prudential offered any evidence, oral or by document, objective or subjective, to indicate that the

<sup>5</sup> Cong. Rec. 4322, April 29, 1947.

"harassing tactics" of a slowdown had *any* effect upon negotiations or upon the bargaining faculties of the employer's negotiators. Both counsel, although agreeing that the Respondent's exhibit containing the entire record of negotiations might be received in evidence, specifically reserved the right to object to its materiality. And General Counsel, at the conclusion of his case-in-chief when opposing the Respondent's motion to dismiss for failure to prove that negotiations had in any way been interfered with, declared:

We are not here concerned with the effectiveness or the failure of the activities of the Respondent. . . . Whether they achieved the result they sought to achieve is not in any way conclusive or indicative of the bad faith bargaining of the Respondent herein.

Elsewhere General Counsel said:

Whether or not Prudential was affected to the extent or degree which the Respondent hoped its activities would be effective, is not for us to decide. . . . It is clear that they were designed to affect negotiations. . . . It is the contention of General Counsel that . . . these activities were designed for that purpose . . . ; that these activities are illegal, under the circumstances, regardless of whether or not they proved effective.

24 He added:

Just as a strike has an impact upon the operations of the company, or *the collective bargaining negotiations*, so do these activities have an impact, and the nature of the impact is one which the Board can objectively evaluate by the nature of the activities itself.

General Counsel agreed that his position was analogous to that observed in the trying of an 8(a)(1) case (interference, restraint, and coercion) wherein it was necessary only to prove the statement and not its effect. It may well be that the Board will be able to "objectively evaluate" the "impact" of activities upon "collective bargaining negotiations" from the mere "nature of the activities," but the Trial Examiner is reluctant even to attempt this

feat of mental polevaulting with only presumption as a pole. The analogy of coercive statements seems not in point. A threat is a threat, and forbidden by law. A slowdown, whether designed to effect collective bargaining or not, is *not* forbidden by law. On the contrary, appraising a slowdown as a partial strike or a "method" of striking, as noted in the preceding section, the Supreme Court has pointed out that the Board is empowered to "forbid a strike" or "its method" *only* "when and because its purpose is one that the Federal Act made illegal."

In the absence of any evidence of effect of the slowdown upon negotiations, the Trial Examiner cannot find that such concerted activity in any degree *adversely* affected or impaired the process or progress of collective bargaining nor that, because of any possible effect upon bargaining, any distinction may be drawn between this slowdown and a statutory strike. Such a finding, moreover, would run counter to General Counsel's concession during the hearing:

On its face the bargaining engaged in by the Respondent and Prudential at the bargaining table might seem  
25 to be a free and good faith give-and-take-type of bargaining.

Turning to the *intent* of the Union in directing the slowdown, intent being a point repeatedly stressed by General Counsel. The Respondent has conceded that its intent was to influence the progress of negotiations, and the point may quickly be disposed of. Precisely the same intent would have been involved in a *full* strike. A full strike would have been lawful, as General Counsel admits. Under such circumstance, the Trial Examiner believes it would be a painful torture of logic to reason that intent alone is sufficient to faint with illegality the method chosen to carry it out.

Now to the slowdown itself. Did it possess any feature, or assemblage of features, so distinguishing it from a full, legal strike, that circumstantial evidence is provided from which can be inferred a "motive or state of mind" establishing "bad faith" bargaining?

<sup>6</sup>The quotation "motive or state of mind" comes from *Reed & Prince Mfg. Co.*, 205 F. 2d 131 (C.A. 1) at 139 140, *certiorari* denied 346 U.S. 887. The full sentence will be quoted later in this Report.

First, as to what the slowdown was *not*. As counsel for the Respondent points out in his able brief:

Here, there obviously was no violation of contract. Cf. *Labor Board v. Sands Mfg. Co.*, 306 U. S. 332 (1939). There was no violence or other violation of law in the manner in which the activities were administered. Cf. *Southern S. S. Co. v. Labor Board*, 316 U. S. 31 (1942); *Allen-Bradley Local v. Wisconsin Emp. Relations Board*, 315 U. S. 740 (1942); *Labor Board v. Fansteel Corp.*, 306 U. S. 240 (1939).

Nor can it be found here, as was found by the Board in the previously cited *Personal Products* case, that:

- 26 These unprotected tactics interfered with production and put strong economic pressure on the Employer who was thereby disabled from making any dependable production plans or delivery commitments. Moreover, the Employer was not informed of any specific demands which these tactics were designed to enforce nor what concessions 'd make to avoid them. (at p. 746)

On the contrary, General Counsel not only offered no evidence to prove loss of business but said, unequivocally:

I am not here attempting to establish the nature of the losses sustained by the company as a result of the activity. . . . I don't feel . . . that it is the proper province of this trial to establish any loss, the nature of the loss or the extent of the loss.

And the record is replete with documentary evidence, including thousands of pages of the bargaining record, proving that the employer was at all times well informed as to the "specific demands which these tactics were designed to enforce" and "what concessions it could make to avoid them."

Both General Counsel and counsel for Prudential conceded that the employer was aware of all directives of the Union, concerning planned and prospective activities, before their effective date. In no respect may it be found that the employer here was "harassed" by the element of

surprise, depriving it of opportunity to take appropriate counter measures. Furthermore, long before the Respondent openly announced that what it considered to be Prudential's unfair demands might necessitate action by its members, Prudential had good reason to *suspect* both the nature and the possibility of the action. For in the 1954-1956 contract between the parties there had been this provision:

27. During the period of this Agreement the Union will not cause or permit its member to cause, nor will any member of the Union take part in any strike, stoppage, mass late reporting, mass blank production weeks, or slow down of duties or production, or picket any of the Employer's offices, for any reason whatsoever; nor will the Union or its members engage or participate in any demonstration, display, publication, or advertisement, tending to incite sympathy or protests concerning the relations between the Employer and the Union and the Agents. The term "strike" shall include a strike of any nature, including such as are termed "sympathetic," as well as any cessation or reduction of normal business activities, or efforts by a group of Agents for the purpose of coercing the Employer.

The record contains no evidence to support any implied bearing on this case of the claim made by counsel for Prudential in his brief:

Where the employees continue as employees and accept their regular compensation from the company while refusing to perform the services required by the employer, then an imbalance of power has been created which is fatal to bargaining in good faith.

The employees here involved are insurance agents, not factory production workers. Their general duties are to sell and service insurance policies. No particular time or place for such employee services are required by the employer.<sup>7</sup> There is no evidence in the record to show that

<sup>7</sup> Vice President Rosner, the one live witness at the hearing, said that "The very nature of the job precludes setting a number of hours," and "the job of an agent is utterly different than that which you see every day."

the servicing of existing policyholders was in the slightest degree affected—as presumably would have been the case in a full strike. And as for the writing of new business—for which the agent receives a commission—it is plain that he was not paid for what he did not write.<sup>8</sup>

There is one feature of the activity which appears not to have been an element in cases above cited. Although General Counsel accorded it only casual attention in his oral arguments, counsel for Prudential stresses in his brief the claim that by “demonstrating” in front of company offices and by soliciting signatures upon petitions from policyholders, activities which were included in the Union’s program, the participating agents violated their individual agreements with Prudential.

Even if the claim of violation of the employer-employee individual contracts were valid (and the history of the proposed amendments to the Act makes it clear that Congress declined to empower the Board to decide such questions)<sup>9</sup> it is difficult to perceive how any “imbalance of bargaining power” was thereby created between the employer and the Union. Testimony of the Prudential official is to the effect that punitive power was readily available to the employer. It could have fined or “docked” the participating agents. That it chose not to do so was its own responsibility, not the Union’s.

In conclusion on the point raised, the Trial Examiner finds no feature, or combination of features, of the

<sup>8</sup> Furthermore, on the issue of “imbalance of power,” under Board authority which, so far as the Trial Examiner is aware, has not been challenged in a reviewing court, Prudential could quickly have regained “balance of power” by simply declining to negotiate until the Union ceased its unprotected activities, since the Union’s open and avowed purpose of the slowdown was to hasten negotiations and obtain a contract.

<sup>9</sup> In the House Conference Rept. No. 510, on H. R. 3020, it is stated: “The Senate amendment contained a provision which does not appear in section 8 of existing law. This provision would have made it an unfair labor practice to violate the terms of a collective bargaining agreement. . . . The conference agreement omits this provision of the Senate amendment. Once parties have made a collective bargaining contract the enforcement of that contract should be left to the usual processes of the law and not to the National Labor Relations Board.” The individual contracts were and are recognized in the contracts between the Respondent and Prudential.

29 concerted activities involved so distinguishing them from the full, statutory strike, as to provide circumstantial evidence warranting the inference of a motive establishing bad faith bargaining.

The foregoing conclusion, of course, in no wise disturbs the fact that the Trial Examiner considers himself bound by Board decisions to find that the activities themselves—although differing somewhat in nature from those which have been considered in other cases—fall within the scope of “unprotected concerted activities.”

## 2. Claim of failure and refusal to bargain

As noted above, it is the tenor of General Counsel's contention that an “atmosphere” not conducive to good faith bargaining was created by the Union's program, that by creating such an atmosphere, the Union failed to bargain in good faith, and by failing to bargain in good faith refused to bargain.

Also as reviewed at length in the section immediately above, General Counsel not only failed to produce evidence showing the nature of the “atmosphere” but insisted that such proof was unnecessary. He declined to provide the Trial Examiner with any evidence of effect upon the negotiations, the negotiators, or upon the employer's business. Yet—in the presence of his own concession that the negotiations “might seem to be a free and good faith give-and-take type of bargaining”—he asks the Trial Examiner to conclude that because of an “atmosphere” which, so far as General Counsel's evidence is concerned, apparently was a complete vacuum) there actually was *not* free and “good faith type of bargaining.”

Counsel for the Respondent appears to have well summed up General Counsel's position as follows:

Its case boils down to saying that even if there was good faith bargaining in fact, there could not have been in theory.

30 On the other hand, there is in the record some 72 volumes of transcript of negotiations. The Trial Examiner has not read them all. Although requested to do so by the Trial Examiner, neither General Counsel nor counsel for Prudential has cited any portion of this tran-

script in support of his position. From the sections he has read, the Trial Examiner concludes precisely what General Counsel conceded as to the apparent good faith, give-and-take nature of the negotiations.

Neither does General Counsel claim nor did he offer any evidence to warrant a finding that the Respondent did not honor to the full Congress' formula for bargaining collectively, as set out in Section 8 (d) of the Act:

For the purposes of this section, to bargain collectively is the performance of the mutual obligation of the employer and the representatives of the employees to meet at reasonable times and confer in good faith with respect to wages, hours, and other terms and conditions of employment, or the negotiation of an agreement, or any question arising thereunder, and the execution of a written contract incorporating any agreement reached if requested by either party . . .

So far as the record shows, each party met with the other when requested, conferred in good faith, negotiated an agreement and signed it.

Indeed, again so far as the Trial Examiner can learn from the record, the only delay in negotiations was caused by the bringing of this case. And it was counsel for Prudential who vigorously opposed, before the Trial Examiner at the opening of the hearing, the Respondent's motion for postponement in order to permit completion of negotiations and the reaching of agreement. The postponement was granted on June 27, and on July 17 the new contract was executed. That contract, which does not expire until

July, 1959, contains a provision similar to that 31 quoted above by which the Union agrees not to engage in the activities involved here.

Contrary to the apparent position of General Counsel and counsel for Prudential, the Trial Examiner considers such evidence of actual negotiations to have quite as much bearing upon the ultimate question of good or bad faith bargaining as does evidence of the slowdown. As the Circuit Court of Appeals said in *Reed & Prince*, cited above:

The ultimate issue whether the Company conducted its bargaining in good faith involves a finding of

motive or state of mind which can only be inferred from circumstantial evidence.

The Trial Examiner sees no reason why the same principle of evidence should not apply whether an employer or a union is involved. And the actual record of negotiations can hardly be found so remote a circumstance of bargaining that it must be ignored.

From the "circumstantial evidence" of the bargaining itself it appears that but one inference is possible, particularly in view of General Counsel's concession noted heretofore: the Union's motive was one of good faith.

Against this—to the Trial Examiner—reasonable inference, should be weighed whatever inference may be as reasonably drawn from the Union's concurrent "unprotected" activities. If clearly understood, General Counsel's contention is that the sole inference to be drawn from such conduct during negotiations is one of bad faith, and that this inference so far outweighs that which may be drawn from the negotiations themselves that a refusal to bargain conclusion must follow.

In reviewing all factors involved in this case the Trial Examiner has used more words than he intended to at the outset. As has been said by his betters, of this and earlier generations, words are inadequate conveyors of ideas.<sup>10</sup> And the increase of quantity seldom adds to their quality. Although the Trial Examiner, having written them, thinks he has said that he is unable, upon analysis of all relevant elements, to infer a motive of bad faith bargaining from the Union's slowdown conduct, perhaps that idea may be more clearly presented by means of a simple, mathematical formulation of the problem.

There are three distinct elements involved in the case: (a) the *intent* to influence bargaining, (b) the *method* of influencing bargaining, and (c) ultimate "bad faith" bargaining. General Counsel's formula, then, is:

(a) plus (b) equals (c)

It will hardly be questioned that, in formula fashion, *greater* weight should be given to that which is *illegal*.

<sup>10</sup> "Conventional English," said Alfred North Whitehead, "is twin sister to barren thought." (*The Philosophical Review* Vol. XLVI, p. 183.)

*lesser* weight to that which is *not illegal* but by the Board has been found to be *unprotected*, and *none at all* to that which is neither illegal nor unprotected. Let us assign, then, the value of 0 to (a), 5 to (b) and 10 to (c). Substituting these values in the above formula:

0 plus 5 equals 10.

And of course this is not so. Legal intent plus unprotected method do not add up to illegality, in this case and in the opinion of the Trial Examiner.

In summary, having given full consideration to the unprotected activities as evidence bearing upon the ultimate question of bad faith bargaining, the Trial Examiner concludes and finds, because of their isolation in the light and weight of all other evidence, including stipulations and concessions noted above, which clearly establishes good faith bargaining, that General Counsel's complaint is not sustained by the preponderance of evidence.

Upon the foregoing findings of fact and upon the entire record in the case, the Trial Examiner makes the following:

#### Conclusions of Law

1. The operations of Prudential occur in commerce within the meaning of the Act.
2. Insurance Agents' International Union, AFL CIO, is a labor organization within the meaning of Section 2 (5) of the Act.
3. The Respondent has not engaged in unfair labor practices, as alleged in the complaint, within the meaning of Section 8 (b) (3) of the Act.

#### RECOMMENDATIONS

Upon the basis of the foregoing findings of fact and conclusions of law, the Trial Examiner recommends that the complaint be dismissed in its entirety.

Dated at Washington, D. C., this 7 day of December 1956.

s. C. W. WHITEMORE  
Trial Examiner

## BEFORE THE NATIONAL LABOR RELATIONS BOARD

**Decision and Order—Dec. 13, 1957**

On December 7, 1956, Trial Examiner C. W. Whittemore issued his Intermediate Report in the above-entitled proceeding, finding that the Respondent had not engaged in the unfair labor practices alleged in the complaint, and recommended that the complaint be dismissed in its entirety, as set forth in the copy of the Intermediate Report attached hereto. Thereafter, the Company and the General Counsel filed exceptions to the Intermediate Report and supporting briefs. The Respondent also filed a statement in support of the Intermediate Report and a brief.<sup>1</sup>

The Board has reviewed the rulings of the Trial Examiner made at the hearing and finds that no prejudicial error was committed. The rulings are hereby affirmed. The Board has considered the Intermediate Report, the exceptions and briefs, and the entire record in this case, and finds merit in the exceptions to the Intermediate Report for the reasons discussed below. Accordingly, the Board adopts only those findings and conclusions of the Trial Examiner which are consistent with the findings and conclusions hereinafter made.

1. The Trial Examiner found that the Respondent did not refuse to bargain in good faith within the meaning of Section 8(b)(3) of the Act by engaging in certain conduct, characterized by him as "slowdowns," during the course of contract negotiations. We do not agree.

The facts are not in dispute and may be summarized as follows: For a number of years, the Respondent has been in contractual relations with Prudential, the charging party, as the exclusive bargaining representative of Prudential's district agents in an appropriate unit described in the Intermediate Report. On January 16, 1956, about 2 months before the expiration date of their then current contract,

<sup>1</sup> The requests of the Respondent and the Company for oral argument are hereby denied as the record, exceptions, and briefs adequately present the issues and positions of the parties.

<sup>2</sup> Pursuant to the provisions of Section 3(b) of the National Labor Relations Act, the Board has delegated its powers in connection with this case to a three member panel.

the parties began negotiations for a new agreement. Apparently dissatisfied with the progress of negotiations, the Respondent on February 28 alerted local union officials that it contemplated taking "emergency" measures, if a satisfactory agreement was not reached by the time their current contract expired on March 19. No agreement having been reached as the contract expiration date approached, the Respondent accordingly adopted a  
 35 "Work without Contract" program which conced-  
 edly, as the Trial Examiner found, was designed to force the Company to yield to its bargaining demands. This plan was put into effect through a series of directives issued during the course of negotiations to local union officials and member district agents, at least once a week until the following July when a new agreement was concluded. These directives required the district agents at various times, while negotiations were going on, to engage in specified harassing activities in the course of their employment and in utter disregard of their assigned duties and normal routines.

As fully set forth in the record, the district agents, pursuant to the directives, refused to write new business reported late to their respective offices at 10:00 o'clock in the morning instead of 8:30, as they were required to do; engaged in "sit-in mornings" whereby the agents remained in the office until noon "doing what comes naturally" and refused to perform any work after 4:30 p.m., contrary to what they customarily did; picketed, demonstrated, and distributed leaflets in front of the home, district, and detached offices on specified days; distributed leaflets each day to policyholders and others on the agent's debit; secured policyholders' signatures on petitions directed to

This agreement was concluded on July 17, 1956, during a recess in the hearings herein. For this reason, among others, the Respondent moved to dismiss the complaint on the ground that the case has become moot. It is well established that the discontinuance of unfair labor practices does not render moot the charges based thereon. Moreover, we find that the order hereinafter directed is necessary as an assurance against the recurrence of the violations found in this case. Accordingly, we deny the Respondent's motion to dismiss. *National and Local Laborers' Association, 10 NLRB No. 199, Southern Southern Company, 90 NLRB 1205, 1208; cf. NLRB v. Medical Textile Mills, Inc., 339 U.S. 563, 567.*

the Company on the Respondent's behalf; engaged in an "all-go-or-no-go" program whereby agents refused to attend special business conferences on the Company's invitation; presented signed policyholders' petitions to the Company at its home offices while simultaneously engaging in mass demonstrations; when upon Respondent's direction, the agents resumed writing new business, they refused, contrary to Company instructions, to make any report of such business to staff managers or to permit them to read the reports or to see any insurance applications which were deposited directly in the "chute"; and reported to and left the office in a group. In addition, during the period from May 21 to June 22, district agents refused to participate in the Company's "May Policyholders Month" campaign and instead participated in the Respondent's "May Policyholders Month" campaign. As a result, the agents would not accept any material for the Company's campaign, work extra hours, put forth special effort, work with a staff manager, perform duties after 4:30 p.m., show any interest, or take part in management meetings. It cannot be questioned that the foregoing activities were intended and could have no effect other than to disrupt and curtail the Company's business, and thereby to compel the Company to accede to the Respondent's contract demands.

In our opinion, the harassing tactics to which the Respondent resorted while purporting to negotiate its differences with the Company do not reflect the good faith bargaining contemplated by the Act. Collective bargaining in good faith, as the Board and the Courts have so often held, presupposes that both the employer and the union "enter into discussion with an open and fair mind, and a sincere purpose to find a basis of agreement touching wages and hours and conditions of labor." It requires "cooperation in the give and take of personal conferences with a willingness to let ultimate decision follow a fair oppor-

Section 8(d) defines the duty to bargain as "the performance of the mutual obligation of the employer and the representative of the employees to meet at reasonable times and confer in good faith with respect to wages, hours, and other terms and conditions of employment."

tunity for the presentation of pertinent facts and arguments."<sup>6</sup>

37 In the present case, the Respondent's reliance upon harassing tactics during the course of negotiations for the avowed purpose of compelling the Company to capitulate to its terms is the antithesis of reasoned discussion it was duty-bound to follow. Indeed, it clearly revealed an unwillingness to submit its demands to the consideration of the bargaining table where argument, persuasion and the free interchange of views could take place. In such circumstances, the fact that the Respondent continued to confer with the Company and was desirous of concluding an agreement does not *alone* establish that it fulfilled its obligation to bargain in good faith, as the Respondent argues and the Trial Examiner believes. At most, it demonstrates that the Respondent was prepared to go through the motions of bargaining while relying upon a campaign of harassing tactics to disrupt the Company's business to achieve acceptance of its contractual demands. If an employer in the course of negotiations threatens to shut down his plant or to cut hours of work or to stop overtime, in order to force a union to accede to his proposals and abandon its own demands there can be no doubt, under established Board law as enforced by the Courts, that the employer thereby is not engaging in the genuine good faith bargaining required by the Act. Similarly, here, the Respondent's conduct does not evidence an open and fair mind to reach agreement on the basis of free exchange of ideas which is essential to good faith bargaining. By the same token, it is unnecessary to show, as the respondent urges, that this conduct actually affected the negotiations or the Company's business.<sup>7</sup> It is suffi-

<sup>6</sup> *N.L.R.B. v. The Jacobs Manufacturing Company*, 196 F. 2d 680, 681 (C. A. 2).

<sup>7</sup> Indeed, the Respondent bluntly informed its membership by one of its directives that "a satisfactory contract will be won in the field and not at the bargaining table."

<sup>8</sup> However, we note that in one of the directives to the membership, the Respondent informed them that the "program of work without a contract is now operating in high gear. It is having a decided effect upon management and its success has been the subject of discussions at the bargaining table."

38 eient that this conduct reflected an attitude not to engage in the free give-and-take of good faith bargaining.<sup>9</sup>

Although admitting that its activities in question fall within the category of a "concerted slowdown," the Respondent, nevertheless, contends that this conduct is no different from a strike and is entitled to the same statutory protection. Therefore, it argues if no inference of bad faith could be drawn had it engaged in a strike contemporaneously with the negotiations, no such inference could be drawn from the conduct in which it had actually engaged. It is clear, however, as the Trial Examiner found, that, unlike a strike, "concerted slowdowns," and the Respondent's harassing activities, in particular, are not protected by Section 7 or Section 13 of the Act.<sup>10</sup> Consequently, whether or not an inference of bad faith is permissible where a union engages in a protected strike to enforce its demands, there is nothing unreasonable in drawing such an inference where, as here, the union's conduct is not sanctioned by the Act.<sup>11</sup> Harassing activities are plainly "irreconcilable with the Act's requirement of reasoned discussion in a background of balanced bargaining relations upon which good faith bargaining must rest,"<sup>12</sup> and "impaired the process of collective bargaining that Congress intended not only to encourage but to protect."<sup>13</sup>

39 Moreover, unlike the complete cessation of work and pay involved in a strike, the Respondent's resort to harassing tactics was designed to enable the employees unilaterally to dictate the terms of their employment and

<sup>9</sup> Contrary to the Respondent's contention, we rely on the harassing tactics solely as evidence of the Respondent's bad faith dealings with the Company and not as independently constituting unfair labor practices.

<sup>10</sup> See, for example, *International Union, U.A.W. v. Wisconsin Employment Relations Board*, 336 U.S. 247; *Phelps Dodge Copper Products Corporation*, 101 NLRB 360, 367, 368.

<sup>11</sup> We respectfully disagree with the contrary opinion of the majority of the Court in *Textile Workers of America, CIO v. NLRB (Personal Products Corp.)*, 227 F. 2d 409 (C.A.D.C.) and agree with the dissent of Judge Danaher in that case.

<sup>12</sup> *Phelps Dodge Copper Products Corporation*, *supra*, at p. 368.

<sup>13</sup> *Textile Workers Union of America, CIO (Personal Products Corporation)*, 108 NLRB 743, 747.

accept compensation from their employer without giving a regular return of work done,<sup>14</sup> and thus to circumvent the orderly and peaceful procedures of collective bargaining. Such conduct, as the Supreme Court has recognized with respect to an employer's unilateral action, is "manifestly inconsistent with the principle of collective bargaining."<sup>15</sup> To permit these unprotected activities to be used to undermine free collective bargaining would, in our opinion frustrate the very purpose of the Act to secure industrial peace through the process of collective bargaining.

In view of all the facts and circumstances in this case, and in accordance with the Board's decision in *Textile Workers Union*, (108 NLRB 743), we find that the Respondent, by engaging in harassing conduct during the course of the negotiations, failed to bargain in good faith and thereby violated Section 8(b)(3) of the Act.<sup>16</sup>

2. In dismissing the complaint herein, the Trial Examiner was under the erroneous impression that he was not bound by the Board's decision in the *Textile Workers Union* case, *supra*, because the Court of Appeals for the District of Columbia refused to enforce the portion of the Board's order in that case relevant to the issues here involved. The Trial Examiner in support of his assumption that he was not "required to conform his findings, conclusions and recommendations to the principles enun-  
40 ciated in the Board's decision in *Personal Products*" erroneously relies upon the Board's decision in *Blue Flash Express Co.* (109 NLRB at 593) where the Board specifically overruled previous principles established by the Board with which certain Court decisions were in conflict. The Board in that case reevaluated its previous decision on the principles involved therein and itself chose to establish

<sup>14</sup> Indeed, in one of the directives to the district agents, the Respondent pointed out "You know that the Company is unhappy because our membership are able to draw their salaries while continuing the program."

<sup>15</sup> *N.L.R.B. v. Crompton Highland Mills*, 337 U.S. 217, 225; see also dissenting opinion in *Textile Workers Union of America, CIO v. N.L.R.B.*, *supra*, at p. 412.

<sup>16</sup> See *International Union, United Mine Workers of America (Boone County Coal Corporation)*, 117 NLRB 1095. In view of our decision herein, we deny the Respondent's motion to dismiss the complaint.

a new policy citing in support of such policy, the decisions of the Courts alluded to by the Trial Examiner. It has been the Board's consistent policy for *itself* to determine whether to acquiesce in the contrary views of a circuit court of appeals or whether, with due deference to the court's opinion, to adhere to its previous holding until the Supreme Court of the United States has ruled otherwise. But it is not for a trial examiner to speculate as to what course the Board should follow where a circuit court has expressed disagreement with its views. On the contrary, it remains the trial examiner's duty to apply established Board precedent which the Board or the Supreme Court has not reversed. Only by such recognition of the legal authority of Board precedent, will a uniform and orderly administration of a national act, such as the National Labor Relations Act, be achieved.<sup>17</sup>

#### 41 THE EFFECT OF THE UNFAIR LABOR PRACTICES UPON COMMERCE

The activities of the Respondent, set forth above, which have been found to constitute unfair labor practices occurring in connection with the operations of the Company, described in the Intermediate Report, have a close, intimate and substantial relation to trade, traffic and commerce among the several States and tend to lead to labor disputes burdening and obstructing commerce and the free flow of commerce.

<sup>17</sup> Member Murdock is in full agreement with the views just stated as to the obligation of Trial Examiners to follow Board precedent despite conflicting Court precedent, it being the sole prerogative of the Board to decide when to reverse its own precedents and to adopt and apply contrary Court decisions. He further notes that he has previously stated such a view in his dissent in *American Tool Works*, 116 NLRB 1681, 1686, where, however, he was alone in doing so. Neither in that case nor in other cases (e.g., *Crystal Palace Market*, 116 NLRB 856, 868; *Shepherd Machinery Co.*, 119 NLRB No. 39; *Alloy Manufacturing*, 119 NLRB No. 38), where Trial Examiners successfully anticipated reversals of Board precedents by ignoring Board precedents, has the Board criticized the Trial Examiners' actions in not following and applying Board precedent. In Member Murdock's view the obligation of Trial Examiners to follow Board precedent is uniform and the Board should be no less critical of a Trial Examiner's refusal to follow Board precedent in cases where the Board affirms the result reached by a Trial Examiner who has disregarded Board precedent.

## THE REMEDY

Having found that the Respondent has engaged in certain unfair labor practices, we shall order it to cease and desist from this and like and related conduct, and to take certain affirmative action designed to effectuate the policies of the Act.

### CONCLUSIONS OF LAW

1. The Prudential Insurance Company of America, a New Jersey corporation, is engaged in commerce within the meaning of the Act.

2. Insurance Agents' International Union, AFL-CIO, is a labor organization within the meaning of Section 2(5) of the Act.

3. Insurance Agents' International Union, AFL-CIO, is, and at all times material herein has been, the exclusive representative of the Company's employees in an appropriate unit described in Section III A of the Intermediate Report for the purpose of collective bargaining within the meaning of Section 9(a) of the Act.

4. By refusing to bargain collectively in good faith with the Company, the Respondent has engaged in and is engaging in unfair labor practices within the meaning of Section 8(b)(3) of the Act.

5. The aforesaid unfair labor practices affect commerce within the meaning of Section 2(6) and (7) of the Act.

42

**Order—December 13, 1957**

Upon the entire record in the case, and pursuant to Section 10(c) of the National Labor Relations Act, as amended, the National Labor Relations Board hereby orders that the Respondent, Insurance Agents' International Union, AFL-CIO, its officers, representatives, agents, successors and assigns shall:

1. Cease and desist from refusing to bargain collectively in good faith with The Prudential Insurance Company of America, as the exclusive representative of the Company's district agents in the appropriate unit described in the Intermediate Report, with respect to rates of pay, wages,

hours of employment, and other terms and conditions of employment, by authorizing, directing, supporting, inducing or encouraging the Company's employees to engage in slow-downs, harassing activities or other unprotected conduct, in the course of their employment and in disregard of their duties and customary routines, for the purpose of forcing the Company to accept its bargaining demands, or from engaging in any ~~like~~ or related conduct in derogation of its statutory duty to bargain, provided the Respondent remains the representative of the employees in the appropriate unit as prescribed in Section 9 of the Act.

2. Take the following affirmative action which the Board finds will effectuate the policies of the Act:

(a) Post at its business offices and meeting halls, and at the business offices and meeting halls of its local unions which administer its contract with The Prudential Insurance Company of America, copies of the notice attached hereto as an appendix.<sup>18</sup> Copies of said notice, to be furnished by the Regional Director for the Second  
43 Region, shall, after being duly signed by an official representative of the Respondent, be posted by the Respondent immediately upon receipt thereof, and be maintained by it for sixty (60) consecutive days thereafter in conspicuous places, including all places where notices to members are customarily posted. Reasonable steps shall be taken by the Respondent to insure that said notices are not altered, defaced, or covered by any other material:

(b) Furnish to the Regional Director for the Second Region signed copies of the notice attached hereto and marked as an appendix, for posting, the Company willing, at the home office, district offices and detached offices of The Prudential Insurance Company of America which are herein involved, in places where notices to employees are customarily posted. The notice shall be maintained there for a period of sixty (60) consecutive days thereafter. Copies of said notice, to be furnished by the Regional

<sup>18</sup> In the event this Order is enforced by a decree of a United States Court of Appeals, the notice shall be amended by substituting for the words "PURSUANT TO A DECISION AND ORDER," the words "PURSUANT TO A DECREE OF THE UNITED STATES COURT OF APPEALS, ENFORCING AN ORDER."

Director for the Second Region, shall, after being duly signed by an official representative of the Respondent as provided in paragraph 2(a) of this Order, be forthwith returned to the Regional Director for such posting;

(c) Notify the Regional Director for the Second Region, in writing, within ten (10) days from the date of this Order as to what steps the Respondent has taken to comply herewith.

Dated, Washington, D. C., Dec. 13, 1957.

.....  
Boyd Leedom, Chairman

.....  
Abe Murdock, Member

.....  
Joseph Alton Jenkins, Member

NATIONAL LABOR RELATIONS BOARD

(SEAL)

44

#### Appendix to Decision

### NOTICE TO ALL MEMBERS AND ALL EMPLOYEES

#### PURSUANT TO A DECISION AND ORDER

of the National Labor Relations Board, and in order to effectuate the policies of the National Labor Relations Act, as amended, we hereby notify our members and employees of The Prudential Insurance Company of America that:

WE WILL NOT refuse to bargain collectively in good faith with THE PRUDENTIAL INSURANCE COMPANY OF AMERICA, as the exclusive representative of the Company's district agents in the appropriate unit described in the Intermediate Report, with respect to rates of pay, wages, hours of employment, and other terms and conditions, of employment, by authorizing, directing, supporting, inducing or encouraging the Company's employees to engage in slowdowns, harassing activities or other unprotected conduct, in the course of their employment and in disregard of their duties and

customary routines, for the purpose of forcing the Company to accept its bargaining demands, and we will not engage in any like or related conduct in derogation of our statutory duty to bargain, provided we remain the representative of the employees in the appropriate unit, as prescribed in Section 9 of the Act.

INSURANCE AGENTS' INTERNATIONAL  
UNION, AFL-CIO

.....  
(Labor Organization)

Dated ..... By .....  
(Representative) (Title)

This notice must remain posted for 60 days from the date hereof, and must not be altered, defaced, or covered by any other material.

45 \* BEFORE THE NATIONAL LABOR RELATIONS BOARD

**Order Correcting Decision and Order—Dec. 26, 1957**

On December 13, 1957, the Board issued a Decision and Order<sup>1</sup> in the above-entitled proceeding in which there were inadvertent errors.

IT IS HEREBY ORDERED that the said Decision and Order be, and it hereby is, corrected by striking from paragraphs 2(a), (b) and (c) on pages 9 and 10 the words "Second Region" and substituting therefor the words "Twenty-second Region" wherever they appear therein; and

IT IS FURTHER ORDERED that the said Decision and Order as printed shall appear as hereby corrected.

Dated, Washington, D. C., December 26, 1957.

By direction of the Board:

FRANK M. KLEILER

.....  
Executive Secretary

1 . BEFORE THE NATIONAL LABOR RELATIONS BOARD  
SECOND REGION

Case No. 2-CB-1726

In the Matter of  
INSURANCE AGENTS' INTERNATIONAL UNION, AFL-CIO,  
and

THE PRUDENTIAL INSURANCE COMPANY OF AMERICA

**Transcript of Testimony**

2 Park Avenue  
New York, New York  
June 27, 1956

Pursuant to notice, the above-entitled matter came on for hearing at 10:40 o'clock a.m.

Before: CHARLES W. WHITTEMORE, Trial Examiner.

**Appearances**

Silver & Bernstein, 295 Madison Avenue, New York 17,  
New York, appearing on behalf of the Employer.

By: Nahum Bernstein, Esq., and Donald R. Seawell, Esq.,  
of Counsel.

Isaac N. Grover, 1701 K Street, N.W., Washington 6, D. C.,  
appearing on behalf of the Respondent.

Saul M. Kaynard, Esq., Counsel for the General Counsel.

3 . PROCEEDINGS

Trial Examiner Whittemore: If counsel are ready, we will call to order hearing in the matter of Insurance Agent's International Union, AFL-CIO, and the Prudential Insurance Company of America, Case 2-CB-1726.

At this point, for the record, I will ask counsel to please state their appearance and give their name and address and the party whom they represent.

Mr. Kaynard: Samuel M. Kaynard, Counsel for General Counsel, 2 Park Avenue, New York.

Mr. Groner: Counsel for Respondent Union, Isaac N. Groner, 1701 K Street, N.W., Washington 6, D. C.

Mr. Bernstein: Counsel for Prudential Insurance Company of America, Silver & Bernstein, 295 Madison Avenue, New York 17, by Nahum A. Bernstein and Donald R. Seawell.

59

### Statement of Mr. Kaynard

Mr. Kaynard: No. 13 is the document known as "Policyholders Service Record." This document is utilized by the district agent in making up his route or places which he will visit during the course of the performance of his duties. It also contains other information which he will indicate thereon, but it is generally used to indicate where the district agent intends to go, so that his schedule and the performance of his duties will be orderly and cover all of his policyholders.

Is that so stipulated, Mr. Groner?

Mr. Groner: Yes.

61

Mr. Kaynard: Exhibit 16 is known to the trade as pink sheets, but are formally entitled, "Statement of Permission Credits."

To explain, Mr. Examiner, this form is utilized by the district office to advise the district agent of the commission credits which he is being credited with for the sale of insurance policies, so that he can, I guess, check and see whether or not all his records are officially recorded on the copy and his credits are as they should be.

66

### Motion to Receive in Evidence General Counsel's Exhibits Nos. 2 Through 24, etc.

Mr. Kaynard: Mr. Examiner, just so we don't get too extended, I would like to move at this point that you receive in evidence General Counsel's Exhibits Nos. 2 through 24, together with the stipulations which we have made with

respect to the various documents. Now, I'll continue with another batch on a different topic.

Trial Examiner: I will let it go in by agreement, subject to a general objection as to materiality.

Mr. Groner: Yes, that will be all right.

Trial Examiner: You have no objection, Mr. Bernstein?

Mr. Bernstein: No.

Mr. Groner: As long as I reserve my rights, that is all.

Trial Examiner: I think it is perfectly proper that you should do so. I simply suggest that if there is some reason later for you to move that they be stricken, you can make that motion and it will be answered by Mr. Kaynard.

The documents referred to by Mr. Kaynard may be received in evidence.

67 (Thereupon, the documents above referred to were marked as General Counsel's Exhibits Nos. 2 through 24, inclusive, and received in evidence.)

76 **Stipulation re General Counsel's Exhibits Nos. 25-28**

Mr. Kaynard: Mr. Examiner, I'd like to make a stipulation at this point: It is stipulated by the parties that with respect to the contract between Prudential and respondent, which is marked General Counsel's Exhibit No. 25, appropriate letters and notices were exchanged between the parties opening up the contract for negotiation for a new contract; that contract negotiations for a contract to follow the one which expired or was about to expire on March 18, 1956, namely, General Counsel's Exhibit

77 No. 25, were undertaken commencing on or about January 16, 1956; that such negotiations continued at various times during the period from about January 16, 1956 to about April 23, 1956.

It is further stipulated that with respect to the contract relating to the merchandise unit between Associated Life and Prudential, which expired on or about April 23, 1956, appropriate notices and letters were exchanged between Prudential and that labor organization for negotiations for a new contract; that some time in February of 1956, as we have previously stipulated, the Associated Life Insurance Agents affiliated itself with the respondent herein and requested the parties, which were then engaged

in negotiations, namely, Prudential and the respondent, to include the Maryland group under those negotiations and to cover it in the contract consummated by those parties, and that on or about April 23 the parties agreed to include the Maryland group in the negotiations and in the coverage of the contract then being negotiated, and that on or about April 23, thereafter, until on or about July 17 or so, negotiations continued between respondent and Prudential to cover the group originally covered in the contract numbered Exhibit 25 and also to cover the Maryland group covered in General Counsel's Exhibit

No. 27, and that negotiations were therefore conducted from April 23 until on or about July 17 for the 34 State unit, plus the District of Columbia, plus Toledo, Ohio and Bryn, Ohio, as we have recited in the contract finally consummated in General Counsel's No. 26.

Trial Examiner: Very well.

I take it you join in the stipulation, Mr. Bernstein?

Mr. Bernstein: I do.

Mr. Kaynard: Does that take care of everything?

Mr. Groner: Yes.

Trial Examiner: All right.

#### Offers in Evidence

Mr. Kaynard: I offer in evidence General Counsel's Exhibits Nos. 25 through 28, together with all the stipulations attached thereto.

Trial Examiner: Any objection?

Mr. Groner: No objection.

(Thereupon, the documents above referred to were marked as General Counsel's Exhibits Nos. 25 through 28, inclusive, and received in evidence.)

Mr. Kaynard: At this point I would like to offer in evidence General Counsel's Exhibits 29 through

Trial Examiner: They are received in evidence.

(Thereupon, the documents above referred to were marked as General Counsel's Exhibit Nos. 29 through 32, inclusive, and received in evidence.)

Mr. Kaynard: Mr. Examiner, I would like to mark in evidence a series of documents which I can generally characterize as directives issued by the International to the individuals or bodies indicated thereon. Since they are of one classification or generic type, I will mark them all with one number and list them A, B, C, et cetera.

Trial Examiner: All right.

90 (Thereupon, the documents above referred to were marked as General Counsel's Exhibits 33 A through 33 AAA, inclusive, and received in evidence.)

91 Mr. Kaynard: As General Counsel's Exhibit No. 34 I would like to offer in evidence a leaflet with a legend thereon, as will be seen from the leaflet, with the name "Insurance Agents International Union AFL CIO," at the bottom thereof. In addition, it is stipulated that the International sent these leaflets to the various locals in conjunction with the program and activities more fully described in General Counsel's Exhibits 33 A through 33 AAA.

Trial Examiner: Do you join that stipulation?

Mr. Groner: Yes, I so stipulate.

Mr. Kaynard: For the record, since there will be other leaflets involved, I would like to more fully describe Exhibit No. 34. The leaflet starts out with the language, "Prudential agents seek a satisfactory contract." Then there are four different statements following that.

I offer it in evidence.

Trial Examiner: Since no objections have been voiced, I take it there are none, and it is received in evidence.

Mr. Kaynard: The stipulation is also accepted.

Trial Examiner: All right.

Mr. Kaynard: Will the reporter please mark it.

92 (Thereupon, the document above referred to was marked as General Counsel's Exhibit 34, and received in evidence.)

110 Mr. Kaynard: I offer in evidence General Counsel's Exhibits 38 A through 38 Y for identification, together with the stipulations which we have made in the course of discussion.

Trial Examiner: Any objection?

Mr. Groner: No objection.

Trial Examiner: Very well, they may be received in evidence.

111 Mr. Kaynard: I would like the following documents marked for identification with the number 40.

40 A: A picket sign with the legend, "Prudential Insurance Company of America Refuses a Satisfactory Contract With Its Agents," with Local 49 on the bottom thereof and Local 49 also on the reverse side.

116 (Thereupon, the document heretofore marked General Exhibit No. 42 for identification was received in evidence.)

119 Mr. Kaynard: It is stipulated that various locals of respondent in various parts of the United States utilized picket signs of the type introduced into evidence as Exhibits heretofore, and utilized picket signs with language contained in the leaflets introduced into evidence heretofore, in conjunction with the picketing activities engaged in by the respective locals as referred to and described in the documents marked as General Counsel's Exhibit 33 and received in evidence as General Counsel's Exhibit 33 in this proceeding.

It is further stipulated that the various locals of respondent in various parts of the United States utilized leaflets similar in nature to the leaflets already received in evidence in this proceeding in conjunction with the picketing activities and demonstration activities engaged in by the respective locals as referred to and described in the documents received in evidence as General Counsel's Exhibit No. 33 in this proceeding.

Mr. Groner: That is the stipulation. We stipulate to that.

Trial Examiner: Very well.

Mr. Kaynard: I have one more. It is further stipulated that in conjunction with the activities referred to in General Counsel's Exhibit No. 33 received in evidence in this proceeding, relating to policyholders' petitions, and I am referring to petitions which I will ask the reporter to mark for identification as General Counsel's Exhibits No. 44-A and B.

(Thereupon, the documents above referred to were marked as General Counsel's Exhibits Nos. 44 A and B for identification.)

Mr. Kaynard: The petitions which have just been marked by the reporter as General Counsel's Exhibits 44 A and 44 B were utilized by various locals of the respondent in various parts of the United States.

I offer in evidence that stipulation together with the documents marked General Counsel's Exhibits 44 A 121 and B.

Trial Examiner: I suggest that you first offer the stipulation. You do join in the last stipulation, do you not, Mr. Groner?

Mr. Groner: Yes.

123 Would the reporter please mark as 44-A for identification this policyholder petition which is self explanatory. It is addressed to Carrol M. Shanks with a message following it, and then there is a place for the name of the policyholder and also a place for the number of the policy. I notice that the reporter has already marked it for identification. 44-A is an exhibit which I selected at random which had the name of the policyholder and the number, but that is not the important phase of it, because each one will be signed by a different person with different numbers. Similarly, the duplicate copy may bear a different name and different number, but the message will be the same and there will be also spaces for the name and the number.

Exhibit 44-B for identification is a policyholder petition which has, I believe, the same message and is addressed to the same individual, Carrol M. Shanks, but rather than having a place for a policyholder's name and policy

number, it is in the form of a petition with a place  
for the names of many policyholders and many policy  
124 numbers to be inserted thereon.

125 (Thereupon the documents heretofore marked  
General Counsel's Exhibits 44A and B for  
identification were received in evidence.)

163 Mr. Kaynard: . . .  
I have studiously avoided the use of the word  
"effected," because I'm not using these figures to show  
the effect. I am using them for the purpose of showing  
the extent of participation rather than the effect of par-  
ticipation.

186 Mr. Kaynard: Mr. Examiner, you will again  
easily observe from looking at the various docu-  
ments which are directives from the respondent or its  
various locals or other material already in evidence, that  
one phase of the union activity program related to dis-  
trict agents not getting new business or not soliciting new  
business from policyholders. In connection with that  
phase of the operation or that phase of the program, I  
will ask the reporter to mark for identification various  
documents with various different headings all designed to  
disclose the amount of business reported or canvassed for  
certain periods of time, and the amount of business written  
or issued by respondent for various periods of time as  
a basis for arriving at certain conclusions with respect to  
the activity of respondent's members in connection with  
the no-business program of respondent. We have tables  
and charts relating to these facets as indicated by the  
home office figures, the home office being the home office in  
Newark, New Jersey of Prudential.

192 Mr. Kaynard: I would like to make some general  
remarks to indicate what the various phrases are,  
so that they would be reflected in the record, and to which  
respondent's counsel will agree, I hope.

In the course of the district agent's duties, he solicits  
new business or writes new business of various types,  
including what is known as a debit life policy and ESP.

policy, which is an abbreviation for Employers' Security Program, he will write a policy which is known as Sickness and Accident Policy and a Policy which is known as Ordinary Life, and those are generally the types of policies which he will write.

I would also point out that with respect to the ESP policy, this is a policy which has been written by the company in 1956, more or less, starting some time in the fall of 1955, and that accordingly there are no comparable figures for ESP policies for the first half of 1955 as there are for the first half of 1956, during which period some of the activities of respondent took place. Accordingly, in order to make an accurate comparison of some of the figures, we have in instances excluded ESP, as indicated, in order to compare 1955 debit life with 1956 debit life.

In addition to those remarks, I would also point out, as I have pointed out in the past in connection with other exhibits, that there is a distinction to be drawn between the activity of the district agent in the field, in the sense that he will solicit new business and write new business and report such new business to the staff manager or the district manager, as the case may be, which are reflected on the 592 forms. This is the reported activity. In other words, a district agent will secure the applications signed by a policyholder, but between the time of the signing of the policy application and the issuance of the policy, many things may happen whereby the policy may not be issued by the company for some reason or other, or else the policy applicant, for some reason or other, may withdraw from his original commitment.

Therefore, there is a distinction to be drawn between the reported or canvassing figure and the actual issued figure of the company of a policy by the company. For that reason I have broken down the figures in two reported canvassing results, which refer to the activity of the district agent in the field as he reflects it on his 592 report, and have broken down the other type of policy, which refers to the actual issue of the policy by Prudential.

Moreover, in order to relate these figures to the instant case, the 592 forms, which are already in evidence, are forwarded to the various regional home

offices and, in turn, to the main office at Newark, and statistics are computed on the basis of the week during which the activity took place, so that the figure for reported canvassing results will relate to the actual week where the activity took place. On the other hand, in connection with the official issue statistics, it is common practice that there must be a lag between the time that the policy is forwarded or the policy application is forwarded to the home office and the processing of that policy and the required paper work and, maybe, physical examination and underwriting, so that there is probably a lag of from two to four weeks, depending on the nature of the policy.

With respect to ordinary life, it is usually a lag of about four to five weeks, and with regard to sickness and accident policies there is a lag which may be more than five weeks.

I mention these facts so that in looking at the figures, you will have to compare not the same period as you would compare for canvassing results—and you would also have to look at the period not comparable to the

actual dates of the activities of the respondent, 195 namely, from March 19 to June 22—but, rather,

from a four-week lag or two-week lag after March 19. Instead of June 22, the date is May 7, because, as you will note from the directives, the new business writing feature of the union's program ceases as of May 7, although other facets of the program continued on past May 7.

In the debit business the lag to the writing date of the policy, which is the figure reflected in the statistics, is usually about a week and there, too, you have to reconcile those lags.

(Thereupon, the documents above referred to were marked as General Counsel's Exhibits 59-B through 59-M for identification.)

Mr. Kaynard: With that explanation, I offer in evidence General Counsel's Exhibits 59-A through M.

Trial Examiner: While you are at it—you have explained the facts very clearly, it seems to me, but what conclusion do you expect the Trial Examiner and the Board to draw?

199 Mr. Kaynard: I would like the reporter to mark  
for identification these charts, which are a correla-  
tive source of material, and then I will explain them.

201 Mr. Kaynard: Now, Mr. Examiner, in answer to  
your question, and I am sorry if I delayed answer-  
ing it by putting these before you to be marked in  
202 evidence, I would like to say this: In connection  
with various phases of the union's activity program  
we have, by various statistics, et cetera, already admitted  
into evidence starting with 1954 and I believe extending  
through 1956, attempted to establish the extent of the  
participation of various district agents in the field in  
various phases of that program, such as the number of  
agents out of a total possible number of agents in the  
particular area who engaged in late reporting, sit down  
and slow down; the number of agents out of a total possible  
number of agents in an area who participated in picketing  
from 12 to 4 and from 10 to 11 or from 8:30 to 9:30, or  
those who reported late.

We have included all types of demonstrations. One of  
the phases of the union's program, and I might say that  
we regard it as one of the most important phases of the  
union's program, was that directive directed toward the  
agent not engaging in new business, and by that—when I  
use the words "no business," it is a word which the union  
itself employed, and that was with reference to the very  
guts of the agents' duties as a district agent. After all,  
a district agent is hired by Prudential for one main pur-  
pose: to sell policies, and, of course, also to service old  
customers and new customers. In the course of the  
203 agent's duties, as I pointed out, he must solicit new  
business of various types; namely, debit life, ESP,  
sickness and accident policies or ordinary life insurance  
policies. Now, in order to establish the extent to which  
the agents in the field adhered to, followed, implemented  
the union's program that they write no new business, we  
have attempted to introduce into evidence by way of these  
charts and graphs, 59-A through M and 60-A through M,  
facts which show, one, the nature and amount and extent  
of the agents' activities as he himself has reported it in  
the year 1955, and the nature and extent of the agents'

activities as he has reported it in the year 1956 for the first six months of each year, which embraces within it the seven-week period during which the union's directive against writing new business was promulgated and in force.

We have attempted by these figures not only to show the over-all reported canvassing activity or the solicitation or the extent to which it has written business in the field or all policies which the agents have jurisdiction to sell, but also the various types of policies, so that we can make a better comparison in view of the certain differences in time and types of policies that existed in 1955 and 1956.

204 Similarly, we have attempted to introduce into evidence by way of these documents figures, all of which were secured from the facts and figures of the official records and documents of Prudential, which are kept in the ordinary course of business, which indicate the issuance of policies of various types ~~under the jurisdiction~~ of the district agent during the important period of 1955 and 1956, and have included that in the first six months of 1955-1956—engaged in a similar breakdown for the various types of policies and a combined over-all picture of all types of policies written by the district agent and issued by the home office on behalf of the district agents, so that from those figures we can see what exactly was issued during the important period under consideration in 1955 and what was issued during the same important period in 1956.

We recognize that included in some of these figures are activity engaged in by staff managers and district managers. It is true that staff managers and district managers can and do write new business of various types, comparable to those written by the district agent. However, if I may say for argument; and if Mr. Gröner does not wish to agree to it or stipulate to it, we will prove it,

205 the degree or extent or the amount of reported business by the staff managers and district managers, the amount of policies issued as a result of activity by staff managers and managers is what I would regard as a rather de minimus amount in relation to the over-all volume of activity.

I understand that it is about—and this will be subject

to correction—5 per cent of the total of the figure. Therefore, as far as that factor being present in the figures, we do not wish to hide it nor do I wish to have you ignore it—I would only wish to present it to you and then you can consider the impact it has on the over-all figures.

208 Mr. Kaynard: It isn't that they haven't lost business, but that is not my purpose. I am not here attempting to establish the nature of the losses sustained by the company as a result of the activity.

209 Trial Examiner: \* \* \* If there was a diminishment of business during this period caused by the inactivity of the agents, didn't the agents also suffer?

Mr. Kaynard: Yes.

Trial Examiner: If you concede that, why do you find bad faith if a person is willing to sacrifice honor, money and whatever else he is seeking?

214 Mr. Kaynard: I have attempted to show not only that the union espoused, directed its members to follow its program, but by the various charts already in evidence and by those I intend to put in evidence now, I intend to show that this program was not merely one on paper, but that it was one which was actually followed by the membership. I have shown that by statistics relating to the extent to which they engaged in the picketing activities and other phases of the program, and I am now attempting to show it to you by various charts—the extent to which the agents followed the no business phase of the union's program.

In other words, I am trying to show you by these charts—I am asking you to make the conclusion that these charts show that the agents in the field, in the home office, particularly by these charts, did engage in the no business phase of the union's program. I am not attempting to establish the effect of the program in dollars and cents. I am using the dollars and cents to establish the fact that they did engage in the no business program, and that these are the figures which are easily available to me and the ones which are available to establish the position:

namely, the agents in the home office and other areas did in fact participate in and follow and engage in no business writing during the period pursuant to directives of the union.

217 Trial Examiner: It is your burden as General Counsel to put in evidence which proves the affirmative; that these are the facts which support your allegation that there was bad faith bargaining and a refusal to bargain. Don't twist my statement, because I didn't say that. I am asking you where in these facts which you asked me to consider do you find evidence which supports your burden of proving refusal to bargain on the part of the union?

Mr. Kaynard: My answer to you, Mr. Examiner, is simply that by establishing the promulgation, the enforcement, the implementation and the actual participation by membership in the program and activities of respondent union, that evidence constitutes bad faith bargaining.

226 Mr. Groner: This set of documents I do not think indicates what they purport to indicate. They do  
227 not show the extent of participation. There are just too many variables involved. You don't know whether this is because two people didn't write a lot or because 100 people didn't write a little. You don't know the extent by people who are not employees at all.

In any event, we are not dealing here with a fixed commodity. We are dealing with sales, by and large, which can be made next week, and if they are not made this week or this month, they can be made next month. We do not have yet the full data, even for the purpose which trial counsel is seeking to put them in, because we do not have a full picture yet of the weeks following the closing of the campaign.

228 We don't have figures for the whole country, as we did on all the other exhibits. We don't have figures which go back to the participation by members of the respondent union, which we did have in the other exhibits. We don't have an exhibit confined to employees,

which we did have in the other exhibits. We have a great many more variables involved, which were not involved in the other exhibits.

I think these particular exhibits are away beyond any which have been submitted and are irrelevant, incompetent and immaterial. They are incompetent at this point, I want to say, because it seems to me, I'd like to reserve future objection on the ground of materiality and relevancy, when we have some of these other things squared away. They simply do not show what they are being offered for, and I think they should be stricken for that reason.

238 Mr. Groner: I did not and I do not, but I am pointing out that these figures are not related to the issues in this case in terms of competency. The figures are not addressed to the employees or to the issues of the extent of participation that the General Counsel has introduced them for.

239 Trial Examiner: I think the situation is slightly clarified now, to this extent: I will at this point receive in evidence both General Counsel's Exhibits 59-A through M and 60-A through M, reserving, of course, your standing right to object to specific questions of materiality at a later date.

(Thereupon, the documents heretofore marked General Counsel's Exhibits 59-A through M and 60-A through M were received in evidence.)

240 Mr. Kaynard: Mr. Examiner, in conjunction with the documents, 59-A through M and 60-A through M, the parties wish to further stipulate that if additional charts and graphs of the type disclosed in General Exhibits 59-A through M and 60-A through M were offered in evidence after proper foundation had been laid therefor, such charts and graphs would show that in the other home office areas of Prudential in the United States of America covered by the collective bargaining unit of respondent, the difference between the 1955 and 1956 figures were in some cases less than that indicated by General Counsel's Exhibits 59-A through M and 60-A through M, and in other

cases would be substantially less than those indicated by Exhibits 59-A through M and 60-A through M.

I believe that that would be the stipulation that we can execute at this point.

Mr. Groner: That is all right. Of course, it is understood that I am reserving the right to object to Exhibits 59-A through M and 60-A through M.

247 Mr. Kaynard: Very briefly, the position of the General Counsel in this instant case is that when, during the course of negotiations being conducted between respondent and Prudential looking toward a contract covering employees of Prudential known as district agents in the 33 or 34-State unit, the respondent by its officers, by its agents, by its local unions and by its members engaged in a series of harassing tactics, promulgated a "work without contract" program, promulgated an "All go or none go" program as part of that "work without contract" or harassing tactics program—when the respondent enforced that program, not only by directives but also by utilizing the disciplinary powers under its constitution to compel its members to adhere to that program, to follow that program, to participate in those harassing tactics; when, during those negotiations the membership in great numbers did participate in that program, did engage in the various phases of activities as outlined by the respondent

248 union; when it engaged in late reporting; when it engaged in sitdowns; when it engaged in slowdowns; when it engaged in demonstrations and picketing at the various district offices, home offices, regional offices and other offices of Prudential; when the members breached their 181½ F agents' agreement; when they refused to attend business conferences established and set up by Prudential as had been done in the past years; when those members of respondent refused or failed to carry out many of the normal duties, functions and obligations of a district agent; when the members engaged in all these activities, then the General Counsel for the Board says: that the activities of the respondent in its various phases, both by the promulgation, the implementation and the actual participation in that program did not engage in bargaining in

good faith under the terms and intent of the National Labor Relations Act, as amended.

By the material which has been stipulated into the record for the past few days, the Government has sought to prove the nature of and the extent of the respondent's activities which I have described. I believe that we have established by an overwhelming preponderance of the evidence that the respondent did promulgate this program, did enforce this program, took measures to  
 249 secure compliance with the activities by the membership and that the membership of respondent did in fact engage in these activities.

We have attempted to prove and we have proven, I state, that these activities were engaged in at a time when the respondent was engaged in the negotiations with Prudential for a collective bargaining agreement covering employees who were participating in those activities or who were expected to participate in these activities.

It is clear from the documents in the record that the program and the activities which we have described were not engaged in isolation, but were geared to the fact that the negotiations were going on between Prudential and respondent. It is established in the record that the intent and purpose of these activities was to bring some pressure upon Prudential so that Prudential at the bargaining table  
 250 would not disagree with proposals made by respondent but, on the contrary, that Prudential, as a result of these harassing tactics, would feel obliged to and compelled to make concessions as requested by respondent, to make commitments contrary to its initial position—I am referring to Prudential's initial positions—and that Prudential would be compelled to capitulate to the requirements and exactions of the respondents herein; and that as a result thereof respondent would be in a position of securing a favorable position at the bargaining table and that Prudential would be put in a weaker position as far as the give and take at the bargaining table is concerned.

253 We recognize that the parties may go through the motions of good faith bargaining at the bargaining table and that on its face the bargaining engaged in by the respondent and Prudential at the bargaining table might seem to be a free and good faith give-and-take type of bargaining. However, counsel for General Counsel states that regardless and notwithstanding the apparent give and take at the bargaining table, the atmosphere created by the respondent by his harassing tactics is not conducive to good faith bargaining and, on the contrary, is not good faith bargaining.

276

**Alfred Rosner**

after having been duly sworn by the Trial Examiner, testified as follows:

**Direct Examination**

Q. (By Mr. Kaynard) Mr. Rosner, would you please give the reporter your full name and your address. A. Alfred D. Rosner. Do you want my home address or business address?

Q. Business address. A. Newark, New Jersey.

Q. Mr. Rosner, are you employed by Prudential Insurance Company? A. I am.

Q. How long have you been so employed? A. About 22 years.

Q. What is your present position with Prudential?

277 A. Vice president.

304 A. On Tuesday morning he would report to the office at 8:30 and he would take care of various phases of his business, such as making deposits of moneys that he had collected on Monday; submitting necessary papers, and picking up necessary correspondence, and he would leave the office somewhere around 9:30, at which time he would proceed to his debit and continue on as he had done on Monday.

On Friday morning he would report to the office at 8:30, again making his deposits and conducting various phases of his business. A business meeting would be held and he would receive his salary somewhere around 11 o'clock or thereabouts.

A. (continuing) I will approach it this way: An agent's job is a complex job; has many, many ramifications. In order to do it to the satisfaction of the policyholders and the satisfaction of the company, it necessitates working evenings, when he has an appointment to do so.

### 315 Direct Examination

Q. (By Mr. Bernstein) Mr. Rosner, Exhibit 33 in evidence has some reference to a program of not working with a staff manager. Just briefly, how does the failure of a district agent to work with a staff manager affect the staff manager's duties or functions of business? A. A staff manager's duties and responsibilities, in the main, are to assist, supervise and train the agents under his supervision. When an agent arbitrarily refuses to work with the staff manager, his day is left high and dry, so to speak, because his plans are made in advance to work with men on his staff during the daytime and evening.

It becomes even more acute when an audit is made and an agent refuses to accompany his staff manager.

Q. One other thing: Just so that we have no misunderstanding about it—you talked about the fact that an agent must get permission to take time off during the day and that he can be docked if he doesn't get it, if he does it on his own. Is it not a fact that no members of the respondent union were docked for any of their activities or failure to report of work stoppages during this entire union program? A. That is correct.

Q. My last question relates to the question of failing to write new insurance: Is it not the fact that the company has continued to pay the underwriting commissions to the staff manager and managers despite the

fact that no business was being written? A. Yes. During that period the company compensated the staff managers and managers for that amount of override that they would have received normally, had normal business been conducted.

317 Q. (By Mr. Bernstein) One last question: When there is a period where agents are not writing new business, what happens with the rest of the staff other than the agents, such as the clerical staff and the others? A. It has a dire effect upon our clerical staff and our home office operation. We are geared to handle the normal course of business and when a work stoppage such as this take place we are put to tremendous expense as a result of being geared to handle the normal business.

#### 322 Cross-Examination

Q. (By Mr. Groner) How many hours a week is an agent supposed to work? A. Mr. Groner, the agent's work week, as I mentioned earlier, is from Monday to Friday, inclusive. The very nature of the job precludes setting a number of hours. Actually, from an agent's point of view, there aren't enough hours to suit him in which to accomplish all of the things he wants to accomplish.

Trial Examiner: Is your answer that there are no set number of required hours?

The Witness: That is correct.

324 The Witness: Mr. Examiner, as I tried to explain earlier, the job of an agent is utterly different than that which you see every day.

326 As an answer to your question, if all agents were to decide on a given afternoon to quit at 3:30, we would consider that as a violation of his agency agreement, but where one individual is concerned, we would not consider that as a violation.

Q. Does the agent turn in a record of either the hours, specifically, as "Monday 8 to 10," or the number of hours per day that he works? A. He does not.

329 Q. Does the company encourage evening calls? A. The company requires an agent to perform his duties, and if his duties encompass evening calls, an agent will make evening calls.

Q. From your knowledge of the way agents operate, when would you say, what time of day, morning, afternoon or evening, most of the appointments are made  
330 for the selling of ordinary insurance by the district agents? A. Well, it is only logical to assume that a good number of appointments for the sale of ordinary, when they are on the life of the husband, would be in the evenings, because I believe most people work during the day; and if it is not possible for the agent to interview them at their place of employment, he would be very happy to interview them in the evening at their home.

Q. Are the evening hours part of the normal work day of the Agent? A. I think, from an agent's point of view, they are part of a normal work day when he has evening calls to make.

Q. How about the afternoon hours? A. That goes without saying, Mr. Groner.

Q. Suppose he has no afternoon calls to make and has all his appointments and calls set up in the evening? A. Mr. Groner, I again must remind you that our job of an agent precludes the possibility of not having any calls.

331 A. . . . An agent avails himself of all of his day-time hours that he possibly can and his evening work is by his own desire with no reluctance whatsoever on his part.

333 Q. Does the company have any way of knowing whether any particular sale was made in the morning, afternoon or evening? A. No.

334 Q. Would the company have any way of knowing whether any particular service call or all services of of one agent were made during the morning, afternoon or evening? A. No.

Q. If an agent were off his debit at 2 o'clock in the afternoon, would he be violating his duties? A. Oh, no, not necessarily.

Q. Would the agent have to clear his time with anybody? A. No, he would not.

335 A. In the usual case, where he is not assigned to work with a staff agent, staff manager, he could call at home ten blocks away—I'll use that same example, if I may—at his own desire and on his own time.

336 Q. Does the agent render a regular monthly account? A. Yes.

Q. About how much paper work does that take in terms of time? A. Again, that depends upon the size of his debit and so forth. Roughly, an hour to an hour and a half.

Q. If he draws that up in the office, is that a violation of any duty? If he creates that monthly account in the office, is that a violation of any of his duties?

A. I just don't want to be misunderstood. If he completes it while or in the course of a sales meeting, that would not be appreciated, but if he completes it at  
337 any other free time during the day, it is perfectly all right.

Q. Any time of day; right? A. Our offices are open Monday to Friday, inclusive, yes.

Q. So far as the district agents are concerned, is there a regular, set lunch period? A. No; I think normal lunch

eating hours are observed by our agents, inasmuch as they are very normal human beings.

Q. Each day he would be at a different place at any given time? A. Each debit might very well be different.

338 Q. So that on a particular staff there would be only one member of the staff who have the staff manager with him at any time? A. That is correct.

Q. Who would the other agents have with them? A. They would be conducting their work themselves.

Q. But there is no constant supervision, is there? A. There is supervision.

Q. I mean physical supervision in the sense of the agents being under the physical vision of a supervisor for the company. A. No, there is not.

341 Q. On Tuesday mornings, you testified, I believe— you correct me if I am wrong—that the purpose of the agent reporting to the office was to make his deposits and complete papers necessary to his own debit; is that correct? A. Necessary to his own and as to how it may affect other debits. For example, if he is transferring business to another debit, it will affect two debits.

356 Mr. Bernstein: Mr. Groner, I am going to propose a stipulation that we previously discussed, to this effect; Mr. Groner has requested us to stipulate that the company in some form or fashion was informed or got information concerning the substance of these directives of the National Union some time prior to the effective date of those directives.

Mr. Groner: Each of the activities.

360

**Renewal of Motion to Dismiss, etc.**

Mr. Groner: Just a starter: I would like at this time to renew the motion to dismiss insofar, at this time, as it is addressed to the sub-sections of Paragraph 11 of the complaint, which refer to picketing and demonstrations: namely, (H), (I), (J), (K), and (L), and I couple that with a motion to strike all the stipulations and the exhibits and oral testimony, all the evidence which is related to picketing and demonstrations, for the reason, now, that the Government's case is completely in with respect to the picketing and demonstrations, and it is, in our view, crystal-clear that there can be no basis under the Act for regarding those activities either as unfair labor practices or as evidence of unfair labor practices.

494

**General Counsel's Exhibit No. 25****AGREEMENT**

Between

The Prudential Insurance Company of America

and

Insurance Agents' International Union (AFL)

March 15, 1954

495

**ARTICLE IV—COMPENSATION**

The Agent's Agreement as amended is further amended as follows:

**A. *Special Allowance***

Beginning with the week of March 15, 1954, the Special Allowance of \$4.50 per week will continue to be paid to each Agent for each week he works, but only so long as his Agent's Agreement is in effect, for services performed during the week of payment. This allowance will be excluded from earnings used as a base for contributions and

benefits under the Retirement Plan and under the Service Disability Allowances Plan and from earnings used to calculate Special Vacation Allowance.

*B. First-Year Commissions on the Regular Ordinary Insurance*

First-year commissions on the Regular Ordinary policies shown below will be paid to Agents in accordance with the following scale:

496 *C. Group Insurance Commissions*

497 *F. Collection Commission*

*G. Debit Builders Plan*

498 *H. Sickness and Accident Compensation*

499 **ARTICLE XXIX—LOCKOUTS, STRIKES AND STOPPAGES**

1. During the period of this Agreement the Employer will not lock out any Agents.

2. During the period of this Agreement the Union will not cause or permit its members to cause, nor will any member of the Union take part in any sit-down or stay-in in any of the Employer's offices.

3. During the period of this Agreement the Union will not cause or permit its members to cause, nor will any member of the Union take part in any strike, stoppage, mass late reporting, mass blank production weeks, or slow down of duties or production, or picket any of the Employer's offices, for any reasons whatsoever; nor will the Union or its members engage or participate in any demonstration, display, publication, or advertisement, tending to incite sympathy or protests concerning the relations between the Employer and the Union and the

Agents. The term "strike" shall include a strike of any nature, including such as are termed "sympathetic," as well as any cessation or reduction of normal business activities, or efforts by a group of Agents for the purpose of coercing the Employer.

\* \* \* \* \*

500

### General Counsel's Exhibit No. 32

INSURANCE AGENTS' INTERNATIONAL UNION, AFL  
420-428 VICTOR BUILDING, 724 NINTH STREET, N. W.  
WASHINGTON, D. C.

May 31, 1955

TO THE PRESIDENTS OF ALL LOCAL UNIONS OF THE IAIU,  
MEMBERS OF THE GENERAL EXECUTIVE BOARD AND  
ORGANIZERS

Dear Sir and Brother:

While it is the intention of the Union to provide a transcript of the proceedings of the second Biennial Convention of the IAIU-AFL which was held in Louisville, Kentucky, from May 23 to May 26, there is one matter of the utmost importance which we call to your attention with considerable emphasis.

The following resolution submitted by Local 19 was approved by the Convention and the conditions of the first paragraph in the resolution become effective immediately:

WHEREAS, it is an established fact that Prudential Insurance Company through contests and special efforts is exerting the type of pressure upon our members, which was originally the reason for the creation of a union of insurance agents

WHEREAS, our International Union through the General Executive Board has recognized this threat and issued a resolution in November 1954 directing that no member accept any gift, prize or gratuity offered as a reward for production goals established in special efforts

WHEREAS, the re-discussion of compensation meeting with Prudential proved the fallacy of demonstrating weakness on the part of the membership, and

WHEREAS, the General Executive Board of this International had in May of 1953 passed a resolution directing that either all agents or none go to company conferences

WHEREAS, in the Prudential Insurance Company such business conferences are contests and attendance a prize under the present system and offer the Company the opportunity to pit one agent against another through bulletins and posters and other forms of pressure

WHEREAS, two years have passed and the membership is in a position to recognize the damage done by their refusal to carry out this edict

WHEREAS, such attitude is in keeping with trade union principles and within the realm of union jurisdiction

BE IT RESOLVED, that this convention issue a directive to all members of this Union employed by the Prudential Insurance Company, that unless all of the members are invited to any business conference, none will go and such business conferences will be in the category of a contest and acceptance of an invitation will be in violation of the resolution of November 1954

501 BE IT FURTHER RESOLVED, that this convention, the supreme ruling body of this International Union, declare that any member violating this directive be subject to such disciplinary action as provided for under the Constitution of this International.

In order to clarify the meaning and the intent of the resolution the newly elected General Executive Board held a meeting in Louisville, Kentucky, on May 27, 1955, and directed that the second paragraph of the above resolution go into effect October 1, 1955. Violation of this resolution after October 1, 1955, will bring about the enforcement of the penalty provision of the second paragraph of the resolution. It is, therefore, necessary that the entire member-

ship of our local unions be notified in an official manner so that they will all be aware of the resolution and its conditions.

It is mandatory upon you, as President of your local union, to take every measure necessary to enforce this directive. Any member of this Union who violates this directive after the effective date of October 1, 1955, will become liable under paragraph 2 of this resolution. You will note that the reason for the resolution and its meaning is not to deny agents the right to go to conferences but to prevent the occurrences which have resulted in hardship and in some cases termination of our members for varied and sundry reasons. If the Company feels that a business conference has its value, then all of our members should be invited. It is the earnest desire of the Union that every member earn a good living but we cannot permit the retention of a system that contributes to our members mental anguish and does not provide for peace of mind. It was the opinion of the General Executive Board that the October 1, effective date would not impose any hardship upon any of our members who presently might be attending a business conference of the Company or who have qualified for attendance at a business conference at the same time it would enable the Union to give sufficient notice to all our members of the resolution, its meaning, its purpose, and its intent.

With best wishes, I am

Sincerely and fraternally yours,

s. GEORGE L. RUSS

George L. Russ

President

GLR:ahk

ccin #2

cc: Secretaries of all local unions of the IAU-AFL

**General Counsel's Exhibit No. 33F**

INSURANCE AGENTS' INTERNATIONAL UNION, AFL-CIO  
724 9TH ST., N.W., 420-28 VICTOR Bldg., WASH. 1, D.C.

March 13, 1956

To: PRUDENTIAL MEMBERS

Dear Sir and Brother:

Your local Union president has been notified of a special area meeting to be held on Saturday, March 17, 1956, for the purpose of receiving a first hand report from your negotiator.

In addition, the local Union president has been directed to hold a special meeting of your local Union membership on Sunday, March 18, for the purpose of taxing a "strike" vote. These actions have become necessary in view of the fact that no satisfactory agreement has as yet been reached with the Prudential Insurance Company of America. It is necessary for each local union to take a "strike" vote at this time as such vote must be approved by the General Executive Board of the IAIU. The actual call of the strike will then be deferred until the Union deems it absolutely imperative.

Unless a satisfactory agreement is reached by Monday, March 19, 1956, you will be working without a contract. So that there will be no misunderstanding, we are hereby notifying you of the program which your local Union president will put into force and which you, as a member of the Union, shall adhere.

For the week beginning March 19, 1956, you are directed to:

- (1) Write no further business until a satisfactory agreement has been reached.
- (2) Take part in the demonstration in front of your district or detached office on March 21, 1956, between the hours of 12 and 1:00 P.M. (Leaflets will be furnished by your local Union.)
- (3) You are to take part in the demonstration at the various home offices of the Prudential on Friday.

March 23, 1956. (Your local Union president will inform you if this picketing applies to you.)

This is your program of "work without a contract". Meanwhile, it is necessary that every Union member continue to contribute to the "Action Defense Fund".

During this period the Union shall continue its negotiations with the Company and make every effort to reach a satisfactory agreement.

Heed all information from the National Union and your local Union president. Do not be victimized by any company propaganda.

Your participation is necessary to the success of this effort. With best wishes, I am,

Sincerely and fraternally yours,

(Signed) GEORGE L. RUSS  
George L. Russ  
President

503

**General Counsel's Exhibit No. 33L**

INSURANCE AGENTS INTERNATIONAL UNION AFL-CIO  
724 - 9TH STREET, N.W., 420-28 VECTOR BUILDING  
WASHINGTON 1, D.C.

March 23, 1956

To: Prudential Members

Dear Sir and Brother:

Knowing the facts is very important at all times and the facts are that the Union's Negotiating Committee is now in Washington, D. C., and has resumed negotiations with the Prudential Insurance Company of America. During the weekend of March 17 and 18 area meetings were held throughout the country and negotiators rendered their reports. Subsequently local unions held their meetings for the purpose of taking a strike vote. The taking of a strike vote at this time is appropriate and timely. We have been in negotiations for weeks. There is no complete agreement in sight. The General Executive Board of the Insurance

Agents' International Union, AFL-CIO, is being polled for the purpose of obtaining authorization for the calling of a strike as provided for in the Insurance Agents' International Union constitution.

Negotiations were scheduled to reopen in Washington, D. C., on March 21; however, that day was devoted to another purpose. The officers of the International Union reported to the Negotiating Committee the results of the discussions which have taken place with the Company during the previous weekend. These discussions with the Company were held under the auspices of a mediator from the United States Mediation and Conciliation Service. No complete agreement had been reached with the Company during the period that the negotiators were absent.

The Articles still unsettled were reviewed by the <sup>Union</sup> committee and no agreement can be submitted unless it has the stamp of approval by the Union's Negotiating Committee. Our reports are factual and we shall continue this practice in order to shield you from unreliable and irresponsible statements. It is very important at this time that you do not become the victim of any insidious rumor or propaganda.

The following items are still to be mutually resolved by the Company and the Union's Negotiating Committee:

#### WORKWEEK

The Union insists that the language in the present contract be retained and that its meaning is reflected in the present language of the Agent's manual. The reporting schedule is "Agents are required to report Tuesday and Friday" and may be requested by the Manager or Staff Manager to report to the district office for a specific purpose. The Agent is expected to comply. Management will not make such request arbitrarily and unreasonably.

#### UNION ACTIVITIES

The Union believes that the Employer should spell out the same type of assurance for the Agents' rights as the Employer demands from the Union. The Company seeks a guarantee that the Union will not inter-

ferre with the right of the Employer to obtain "written reports signed only by the Agent" or to "interview any Agent with respect to any phase of his work without the grievance committee being present." We insist that the Employer give a similar guarantee to the Union that it will not interfere with these rights of the Agents.

#### DISCRIMINATION AND COERCION

In this Article the Company seeks a commitment from the Union that there will be no "intimidation, coercion or restrictions upon any Agent in his right to work" or in his right to "accept awards from the Employer, to attend business conferences of the Employer or to serve as Acting Staff Manager." The Union believes that the Company should also agree that *it will not interfere* with the "right" of the Agent to *voluntarily* decide for himself whether he will "accept awards from the Employer, attend a business conference or serve as an Acting Staff Manager."

#### DEBITS

This is a new Article proposed by the Company. It should not be confused with "Open Debit". The language of this proposal is as follows: "*The addition to and the elimination or reduction of any staff or debit at any time*".

You realize that this language means that the Company can indiscriminately and arbitrarily add to or reduce your debit at any time without your consent. It has nothing to do with an open debit. You, as a regular Agent, can have your debit cut whenever management decides to do so under their new proposal.

#### GRIEVANCE PROCEDURE

No agreement has been reached regarding this Article because the Union contends that the language in the present Agreement should read as follows: "Whenever the grievance committee *believes that it* has a justifiable grievance, it shall first discuss the grievance with the Staff Manager of the Aggrieved Agent, etc."

The Company wants the elimination of the words "believe that it". The interpretation here is that when a grievance

is filed there can be no doubt as to the justification of the grievance. The Company would force the Agent to prove beyond any shadow of doubt that the complaint he filed was justified.

The Union argues that an Agent shall have the right to file a grievance when he *believes* he has been aggrieved; hence no agreement.

#### 505 DURATION OF AGREEMENT

The Company reduced its demands for a five-year contract to four years. The Union cannot accept this proposal. A contract over such an extended period would deny the Union the right to bargain collectively for increased compensation, improved working conditions and either the abolition of or improvement of the Debit Builders Plan. The last compensation increase was in 1952. If a four-year Agreement were signed, it would take us into 1960. Under such an arrangement it would mean our members would have received one compensation increase over an eight-year period. In this period of expanding and increased economy, we cannot relinquish the right to bargain over such a long period of time.

In view of the fact that the above Article has not been satisfactorily agreed to, there has been no settlement of the "Recognition" clause, "Arbitration", "Lockouts, Strikes and Stoppages." These working conditions must be considered collectively and not piecemeal.

---

#### COMPENSATION

The Company has introduced a new conservation schedule which provides a minimum of \$2.50 per week and a maximum of \$8. The Union's Negotiating Committee has counterproposed a conservation schedule which would run from a minimum of \$2.50 to a maximum of \$9 per week.

---

This is the way things stand late in the evening of March 22. No agreement has been reached. The most important subjects are still unsettled. The "working conditions" of the Agents must be zealously guarded. The issues we have reviewed above are those that must be mutually agreed to

before a contract can be recommended. If the Company agrees that the Agent has the right to act independently and voluntarily on these issues in dispute, what objection can they have to writing that assurance into the contract? These are the facts.

We give you this latest report in order to avoid confusion. The vote to strike is almost 3 to 1 in the affirmative. It is an indication that our membership does not intend to relinquish its hard-earned gains to the Prudential.

The program of "Working Without a Contract" is now in operation and is being carried out enthusiastically by our membership. This week the president of your local union was notified regarding the program for the action for the week beginning March 26. The program he received was as follows:

506 In order for you to properly organize and direct the activities for the second week of "Work Without a Contract", here is the program:

- (1) No business to be written until further notice.
- (2) Tuesday, March 27, is "Sit-in morning". All the Agents will report to the office but not before 10 a.m. and remain in the district or detached office until 12 noon, doing what comes naturally. At 12 noon all Agents will depart in a group.
- (3) Wednesday, March 28, demonstrations to take place in front of each detached and district office between 12 and 1 p.m., carrying picket signs and distributing leaflets to the public.
- (4) Each day distribute leaflets to policyholders and others on your debit and make them aware of the present situation.

Now you know what is expected of you in order to intensify our program and speed up the pace of our activities. Working without a contract can bring favorable results. It is an opportunity to impress upon the Company the knowledge that there is unification in our ranks. It is the means by

which the Company can be made to understand that we must have a contract that is fair and just. Your active participation will determine the type of an agreement finally reached. Make this program effective. Carry on!

With best wishes, I am

Sincerely and Fraternally yours,

(Signed) GEORGE L. RUSS  
George L. Russ  
President

507

**General Counsel's Exhibit No. 33N**

INSURANCE AGENTS' INTERNATIONAL UNION, AFL-CIO

724 9TH ST., N.W., 420-28 VICTOR BLDG., WASH. 1, D.C.

March 28, 1956

**TO: PRUDENTIAL MEMBERS**

Dear Sir and Brother:

The program of "Work Without A Contract" is now operating in high gear. It is having a decided effect upon management and its success has been the subject of discussions at the bargaining table. Here and there, district managers are attempting to intimidate and threaten our members because they remained in the office for several hours to complete their normal duties. Let us make one point clear.

If a manager tries to tell you that you are in violation of 181 F or any other such agreement, remind him that you are now carrying out a Union directive and that you are working without a Union contract. The course you are following is legal and proper and you are free to act as you are and management should refrain from intimidating, coercing or discouraging any Agent from carrying out the Union program. If a manager intimidates or threatens a member of this Union because he is on the picket line or he remains in the district office for a period of time, or distributes leaflets, or participates in the Union program, report this incident to the Union at once. We cannot emphasize too strongly the importance of *you knowing* that

what you are doing is *right* and that you are not to be intimidated by management.

Your participation in this program has been inspirational to the negotiators. It has buoyed their confidence and makes us more determined than ever to negotiate a satisfactory agreement.

The program of "Work Without A Contract" has been highly successful. District offices have been picketed. Home Offices have been picketed. Thousands and thousands of leaflets have been distributed and the *late reporting* has been avidly adhered to by our membership. Your activity in this program enhances the opportunity of securing a desirable and satisfactory contract. The greater the participation the quicker we obtain the type of an agreement the Agent needs. The Company has observed that thousands of our members are acting in accord and they realize that these Agents are ready to fight for their rights.

Negotiations with the Prudential Insurance Company were summarily recessed on March 27 so that the Company's committee could meet with the Independent Union in the middle west. Thus, they have earned the contempt and the scorn of more than 15,000 Prudential Agents who are now working without a contract. Your Union negotiators have thus been denied the opportunity to negotiate while the Company spends two days with a Union representing one-tenth of our membership and whose contract does not expire until April 16.

However, the Union's full Negotiating Committee is remaining in Washington, D.C., ready, willing and able to negotiate a contract when these parleys are resumed on April 2.

During this interim period the Negotiating Committee will picket the Prudential office in Washington, D.C., distribute leaflets and take part in the "Work Without A Contract" program just as you are.

Easter is the time of the year when one prefers to be home with families, relatives and friends; yet, the Union's negotiators are awaiting the return of the Company's committee from its sojourn to the middle west.

Negotiations will be resumed Monday, April 2 at 10:00 A.M. What issues are in dispute? They are the same ones that were unsettled last week. There has been much talk—not too much progress. The adamant and arrogant stand of the Company with regard to the “debit” situation indicates to us that there is a sinister motive behind this Company proposal.

The Prudential membership have voted almost three to one to strike. The authorization for such a strike has been submitted to the General Executive Board of the IAU for its approval. Yes, we will continue to negotiate in good faith and will make every effort to obtain a satisfactory contract. The issues still unresolved that thwart the completion of a satisfactory agreement are:

**WORK WEEK:** The Union insists that the language in the present contract be retained and that its meaning is reflected in the present language of the Agent's Manual. The reporting schedule is “Agents are required to report Tuesday and Friday” and may be requested by the Manager or Staff Manager to report to the district office for a specific purpose. The Agent is expected to comply. Management will not make such requests arbitrarily and unreasonably.

**UNION ACTIVITIES:** The Union believes that the employer should spell out the same type of assurance for the Agents' rights that the employer demands from the Union. The Company seeks a guarantee that the Union will not interfere with the right of the employer to obtain “written reports signed only by the Agent” or to “interview any Agent with respect to any phase of his work without the grievance committee being present.”

508 The Union seeks written assurance that before any Agent submits a written report he will have the guarantee that he can consult with his Union committee or with whomever he wishes. We further insist that the employer give a guarantee to the Union that it will not interfere with the rights of the Agents.

**DISCRIMINATION AND COERCION:** In this Article the Company seeks a commitment from the Union that there will be no “intimidation, coercion or restrictions upon any Agent in his right to work” or in his right “to accept awards from

the employer, to attend business conferences of the employer, or to serve as acting Staff Managers." The Union believes that the Company should also agree that it will not interfere with the "right" of the Agent to *voluntarily* decide for himself whether he will "accept awards from the employer, attend a business conference, or serve as an acting Staff Manager."

**DEBITS:** This is a new Article proposed by the Company. It should not be confused with the "Open Debit." The language of this proposal is as follows: "*The addition to and the elimination or reduction of any staff or debit at any time.*" You realize that this language means the Company can indiscriminately and arbitrarily add to or reduce your debit at any time without your consent. It has nothing to do with an open debit. You, as a regular Agent, can have your debit cut whenever management decides to do so, under this new proposal. The position of the Union is that this proposal by the Company be withdrawn since it violates the past practice of the Company which has been in effect for many years.

**GRIEVANCE PROCEDURE:** No agreement has been reached regarding this Article because the Union contends that the language in the present agreement should read as follows: "Whenever the grievance committee *believes* that it has a justifiable grievance, it shall first discuss the grievance with the Staff Manager of the aggrieved Agent, etc." The bone of contention are the words "believes that it." The Company wants the elimination of these words. They have proposed to the Union the following substitute language: "Whenever the grievance committee *determines* that it." The Union has agreed to take this substitute change in language under consideration.

**DURATION OF AGREEMENT:** The Company reduced its demand for a five-year contract to four years. The Union cannot accept this proposal. A contract over such an extended period would deny the Union the right to bargain collectively for increased compensation, improved working conditions and either the abolition or the improvement of the Debit Builders Plan. The last compensation increase was in 1952. If a four-year Agreement was signed, it would take us into 1960. Under such an arrangement it

means our members would receive one compensation increase over an eight-year period. In this period of expanding and increased economy we cannot relinquish the right to bargain over such a long period of time.

In view of the fact that the above articles have not been satisfactorily agreed to there has been no settlement of the "RECOGNITION CLAUSE; ARBITRATION; LOCKOUTS, STRIKES AND STOPPAGES." These working conditions must be considered collectively and not piecemeal.

COMPENSATION: The Company has rejected the Union's counterproposal regarding conservation which provided for a minimum of \$2.50 per week and a maximum of \$9.00 per week.

---

The Company agreed to a conservation schedule which provides for a minimum of \$2.50 per week and a maximum of \$8.00 per week and would cancel all excess net lapses.

---

The President of your Local Union has been notified regarding the following schedule of activities for the week beginning April 2, 1956 of "Work Without A Contract":

- (1) Continue the program of *no business to be written*.
- (2) Tuesday, April 3, all Agents to report to the district office at 10:00 A.M., remain until 12:00 noon, after which all Agents will leave in a group.
- (3) Wednesday, April 4, picketing of all district offices between the hour of 12:00 and 1:00 P.M. with distribution of leaflets to the public.
- (4) Friday, April 6, picketing of all district offices from 12:00 to 1:00 P.M. with distribution of leaflets. In those cities where there are REGIONAL OFFICES, mass picketing of the REGIONAL OFFICES in addition to district office picketing between the hour of 12:00 and 1:00 P.M. with distribution of leaflets.

Notify your Central Labor Union and State Federation of Labor of the prevailing situation and urge them to write or wire Mr. Carrol M. Shanks, President of the

Prudential Insurance Company of America, Home Office, Newark, New Jersey, to negotiate a mutually satisfactory agreement.

509 Fifteen thousand Prudential Agents are working without a contract. We shall continue our guardianship of the "working conditions" of the Agents. These unresolved issues must be considered collectively and an agreement reached on such a basis before there will be a contract. We must have an assurance from the Company that your rights as an individual Agent will not be trampled upon. Our reports to you are factual and accurate. I repeat, we do not intend to relinquish the hard-earned gains of our membership.

Your magnificent participation in our program exhorts us to greater effort. Carry on with the same enthusiasm that you have displayed up to now. Such participation has been an inspiration to all of us here. Continue your cooperation and we shall be mutually successful in our efforts.

With best wishes, I remain

Sincerely and fraternally yours,

(Signed) GEORGE L. RUSS  
George L. Russ  
President

GLR:ke

510

**General Counsel's Exhibit No. 33P**

April 4, 1956

INSURANCE AGENTS INTERNATIONAL UNION, AFL-CIO  
724 - 9TH STREET, N.W., 420-428 VICTOR BUILDING  
WASHINGTON 1, D. C.

To Presidents of all Prudential Local Unions

Dear Sir and Brother:

Negotiations with the Prudential Insurance Company of America were resumed in Washington, D. C. on Monday, April 2. The Company's Committee returned after the sojourn to the Middle West and after their Easter vaca-

tion—still arrogant, still adamant, still unreasonable and unwilling to negotiate a mutually satisfactory Agreement.

Another week has elapsed. Words and more words have been spoken but—no progress—no Contract. The same issues are still unresolved. The Company is still attempting subtly and cunningly to include language which would, in our opinion, “persuade” an Agent to accept a new proposal on “Debits”. The Company consistently states that they do not intend, materially, to change a practice or custom, and yet the more they repeat this statement, the more reason there is to believe that there is a sinister motive behind their proposal. It appears that the Company has an expansion program plan that would call for a demolition of many debits. In order to put more Agents into the business, debits would have to be created by taking some block transfers from regular Debit Agents without provocation or consent by the Agent.

The Conciliator has met separately with the Company Committee and the Union Committee. However, the same issues are still unsettled.

It should be pointed out that in more than a dozen Articles there has been a change in language proposed by the Company which the Union has doubted they may give favorable consideration to. We would, on the other hand, consider proposed changes in language. But for the most part, they have been rejected by the Company. This, then, is the manifestation of who is bargaining in good faith. In our attempt to negotiate a satisfactory agreement, we have adhered to the principle of “give and take”. Unfortunately, the Company has an idea that all they have to do is “get” and not “give” anything. That is the primary reason for the present stale-mate of these discussions. The Company prefers to center its discussion around the Duration of the Agreement and the “Debit” clause. We have made it clear that we prefer the Company to withdraw its proposal regarding the “Debit” clause, and we have openly stated that we are opposed to a Contract for a four-year period. We have repeated our reasons, which make sense and are sound. The compensation increase in eight years does not justify such a lengthy Contract. Working conditions require time and study in

order to correct inequities, and must be subject to review without waiting such a long period of time.

511 Other issues that must be resolved are: **WORKWEEK:**

**UNION ACTIVITIES: DISCRIMINATION AND COERCION: GRIEVANCE PROCEDURE: ARBITRATION: LOCKOUTS: STRIKES AND STOPPAGES: RECOGNITION, and ESP.** The compensation offer of the Company is not completely satisfactory to the Union Committee and that, too, will require further discussion. Yet, the Company insists on talking about only two items. It must be clear to our membership now that the Company in referring to their new proposal on "Debits", first talked about the composition of the Debit and then the adjustment of the Debit. The plain truth is that they have failed to tell the facts to the Agents, and the fact is that they want the unchallenged right to reduce any Agent's debit at their pleasure and without the consent of that Agent.

They talk quite often about Management's rights, and it seems they have all the rights they need. Let's talk about the Agents' rights. The Agent is entitled to the right of his Debit without fear or favor that it will be taken away unjustly and unfairly, thus removing the compensation floor from his earnings. The Company seeks too much power and too much right. It is now endeavoring to take control of the Agent literally—lock, stock and barrel. This is too much power—too much bigness. Agents cannot be herded back to the dark ages of a quarter of a century ago. We, too, need rights—the right to disagree, the right not to yield to persuasion, to voice our opinions without being unjustly penalized. We will not be beaten into submission by a 12½ billion dollar corporation of policyholders money. Neither will we be confined to a four-year Contract. We want the right to serve our policyholders and also the right to negotiate within a reasonable period of time. So it goes: another week looms ahead.

Our negotiators expect that we will continue discussing matters with the Company in the hopes of obtaining a satisfactory Contract. Only the Company will be guilty if these negotiations should come to a halt. We are met with an aura of silence when we asked what Agents refused to give up a Debit, or what Agent was forced to give up a Debit. We receive no reply.

Thus we continue our program of "Work Without a Contract". We continue our program of concerted action to preserve this right. This right guaranteed by the National Labor Relations Act must not be challenged by the Company as they are attempting to do in some instances. By acting consistently, we act as one with the full knowledge that if any harm is done to one member it is as if we are all directly affected.

The Company does not want the Union to question its judgment on that matter. They wish to give Prudential sales and service on every debit. We intend to split or create debits and when they are refused by an Agent, they are going ahead by doing it just the same on every debit, so states the Company. We say this attitude is unrealistic and unsound.

512 Under these circumstances, we are now submitting to you the schedule of activities for the week beginning April 9, 1956:

1. No business to be written until further notice.
2. Tuesday, April 10—Picketing of all district offices from 10 A.M. to 11 A.M. with distribution of leaflets.
3. Wednesday, April 11—Picketing of all district offices from 12 to 1 P.M. with distribution of leaflets.
4. Friday, April 13—Picketing of all district offices between 12 and 1 P.M. with distribution of leaflets.
5. Agents this week were engaged in a concerted effort to obtain signatures on forms similar to the ones enclosed. However, local unions will print or mimeograph similar petitions and distribute them to your members in sufficient quantities so that they can secure signatures of policyholders. These signed petitions should be returned to the president of each local union who in turn mails them to Mr. Carrol M. Shanks, President, Prudential Insurance Company of America, Newark, New Jersey. Obtaining the signatures of the policyholders on these petitions will prove to the Company we are bringing our story to the policyholders—who are the rightful owners of the Company. It will also indicate to the Company that our policy

holders support our position. The greater numbers that are turned in, the stronger our petitions will be.

While you continue to give able and capable leadership to the Local Union, we will continue our efforts to negotiate a Contract. We must be ever mindful of the Company's statement that "they do not intend to use the authority they seek indiscriminately and arbitrarily, but want the right to do so". It now appears that the cards are on the table and that the fault is apparent to people.

We do not intend to return to the dark ages of the 20's and 30's, that is why it is so important for us to continue this "Working without a Contract" until we can reach an agreement or until it becomes necessary to take other action.

With best wishes,

I am,

Sincerely and fraternally yours,

(Signed) GEORGE L. RUSS  
*President*

513

COPY

*Petition*

To Mr. Carrol Shanks, President  
The Prudential Insurance Company of America  
Home Office  
Newark, New Jersey

As a policyholder in the Prudential Insurance Company of America, a mutual company, I want you to negotiate a contract with the Insurance Agents' International Union, AFL-CIO which will provide fair and favorable working conditions which will guarantee my Agent's job security. As the executive officer of my company, I petition you not to create a situation which will deprive me of my Agent's friendly service and wise council.

Policy Number

Policyholder

## General Counsel's Exhibit No. 330

INSURANCE AGENTS' INTERNATIONAL UNION, AFL-CIO  
 420-428 VICTOR BUILDING, 724 NINTH STREET, N. W.  
 WASHINGTON 1, D. C.

COPY

April 6, 1956

TO: PRUDENTIAL MEMBERS

Dear Sir and Brother:

Another week of negotiations has gone by. The Company's Committee returned to the negotiating table after their visit to the Middle West and after the Easter Vacation, determined to force upon us, a new "Debit" clause, which we are convinced is unsound, impracticable and unreasonable.

The Company has given many reasons for wanting this clause and the Union has offered rebuttal that makes sense as to why we must reject this clause. Days have been spent repeating the same issues pro and con, but no agreement is in sight. The Company constantly states that they do not intend to materially change the present practice, yet they want the written assurance that if an Agent refuses to give the Company any part of his debit, they shall have the *unchallenged right* to take away that debit.

These parleys are now being conducted under the auspices of Commissioner James Holden of the United States Mediation and Conciliation Service. He has met with the Committee of the Company and the Union Negotiators separately, after which he has brought both parties together, but as yet without any degree of success.

You should know that in more than a dozen articles, the Company has proposed a change in language and the Union has indicated that it will give favorable consideration to these changes. The Union has proposed a change in language in three articles, and the Company has flatly refused to accede to the Union's proposal. Negotiations, if they are to be conducted honorably and fair mindedly, mean that it is a "give and take" proposition, yet the Company insists upon "taking" all they can get and "give" nothing.

at all. The Union prefers that the Company withdraw its proposal on "Debits" and change its stubborn position with regard to a four-year agreement. This impasse has been reached because the Company believes that it is wielding a club with 12½ billion dollars of policyholders' money, and that they can force us to capitulate.

We must not lose sight of the fact that there are other issues that must be resolved. Although the Company at this moment is centering its attack upon the "Debit" clause and the "duration" of the contract, other subjects that must be resolved are *Work Week; Union Activities; Discrimination and Coercion; Grievance Procedure; Arbitration; Lockouts, Strikes and Stoppages; Recognition, Etc.*

The compensation offer of the Company is not completely satisfactory to the Union committee and this too will require further discussion. Yet, the Company invariably brings its discussions around to the two items mentioned above.

You received letters from the Company with reference to this new proposal on "Debits" which mentioned its *composition* and the *adjustment* of the debit. The plain truth is this—The Company spokesman stated that he wants a "bigger agency force and a better agency force". "We want the right after we have asked the Agent to voluntarily give up part of his debit and he refuses to do so, to take that debit away regardless." The Company spokesman continues, "We must keep pace with the growth of the industry; we are not getting our share of production. We intend to cut any debit wherever we determine it necessary, to get more man power and more production. Agents will have to produce more if they are to increase their earnings and not depend upon the collection commission of a large debit."

Even local management did not realize this. They have been telling our members that the debit clause refers to "Open Debits" and only now are they learning the precise facts and it has caused them dismay. We know the facts here at the negotiating table and so do our members.

There has been much talk about management's rights. Well they have all the rights they need. We are concerned

about the Agents' rights. Once the Agent is assigned to a debit, we believe he has the right to handle that debit without fear that it will be taken away unjustly and unfairly, and that his basic compensation will not be impaired. There is such a thing as too much power, being too big. We do not intend to relegate our members to the dark days of 25 years ago. Our members will not become the servant of the master Prudential Insurance Company. We do not want this clause and we do not care to be confined by a four-year agreement. We want the right to service our debits and the right to negotiate within a reasonable period of time.

Our membership expects that we will continue to negotiate in order to obtain a satisfactory agreement. This, we are prepared to do and only the Prudential Insurance Company can prevent it if they once again, should rudely recess these negotiations.

Our program of "Work Without a Contract" continues. This concerted action is necessary in order to protect the common interests of our membership and is assured by the National Labor Relations Act. By acting concertedly, we act as one with the full knowledge that if any harm is done to one member, it is as if we all are thusly affected.

515 Management attempted to intimidate and frighten Agents by telling them that they were violating the 18½F—they conspired to challenge the allegiance of Union leaders to the Union by threatening and intimidating them. Now they are engaged in a scurrilous scheme to defeat the program. Management is advising Agents that if they will furnish the prospects, the staff manager will write the business and the Union will never know that you are violating the Union program. We will not report this business, they say, but you will receive commission for it. This is the honorable approach on the part of management.

In addition, management is resorting to the old tactics of divide and conquer by inventing production reports from various districts and vice versa. They should know that our members are getting the facts and know what is right.

**MANUAL DUES PAYMENT:** Your Office Chairman is assigned the responsible duty of collecting your dues manually. Have you paid your monthly Union dues? As the struggle continues, the payment of dues manually will play an important part in forcing the Company to recognize our position. As long as you pay your dues manually, your Union can continue its normal and necessary operations. The Company knows that they cannot succeed. This could, therefore, shorten the "cold war". This is the acid test.

As we continue this program of "Work Without a Contract", the Company suffers, not only of the loss of production, but the loss of prestige and the respect that they have earned both in the industry and by the public. Furthermore, they have lost forever, *control* of the Agent.

Your Local Union President has already been notified regarding the schedule of activities for the week beginning April 9, 1956, which is as follows:

- (1) No business to be written until further notice.
- (2) Tuesday, April 10—report to district office at 8:30 A.M.—picketing of all district offices from 10:00 A.M. to 11:30 A.M. with distribution of leaflets.
- (3) Wednesday, April 11—picketing of all district offices from 12:00 to 1:00 P.M. with distribution of leaflets.
- (4) Friday, April 13—picketing of all district offices between 12:00 and 1:00 P.M. with distribution of leaflets.
- (5) Agents this week will engage in a concerted effort to obtain signatures on forms similar to the ones enclosed. Each Local Union will print or mimeograph similar petitions and distribute them to your members in sufficient quantities so that they can secure the signatures of their policyholders. These signed petitions should be returned to the President of each Local Union who will in turn mail them in bulk to Mr. Carrol M. Shanks, President of the Prudential Insurance Company of America, Newark, New Jersey. Obtaining the signature of the policyholders on these petitions

will prove to the Company that we are bringing our story to the policyholders—who are the rightful owners of the Company. It will also indicate to the Company that our policyholders support our position. The greater number that are turned in, the stronger our position will be.

Continue with dauntless courage, your participation in the Union's program; all the facts are now known, the Company's brazen attempt to take over the Agent is being challenged by your Union. We do not intend to permit a return to the dark and evil days of the 20's and 30's, when Agents were under the domination of the paternalistic Prudential Insurance Company. It is so important to sustain the program of "Work Without a Contract" until we reach an agreement, or until it becomes necessary to take more drastic action. This is the full meaning of true "Brotherhood".

With best wishes, I am

Sincerely and fraternally yours,

(Signed) GEORGE L. RUSS  
George L. Russ  
*President*

GLR:ahk

516

**General Counsel's Exhibit No. 33U**

INSURANCE AGENTS' INTERNATIONAL UNION, AFL-CIO  
420-28 VICTOR BUILDING  
724 9TH STREET, N. W.  
WASHINGTON 1, D. C.

April 12, 1956

TO: PRUDENTIAL MEMBERS

Dear Sir and Brother:

At this writing we are no nearer to an agreement than we were a week ago. The Company has continued its filibustering tactics and has confined its discussions primarily to their rights to "cut" an Agent's debit without the Agent's permission, and the "duration" of a contract. Mr. Shepherd, Chairman of the Company Committee and

Mr. Ferris have gone to confer with the Independent Union in the Middle West. They have left behind a Company Committee of four, with Paul Palmer, Vice President in charge of the district agencies, as the Company Chairman.

There must be precise clarification of this debit matter. The Company infers that they have all the rights that they need to do whatever they intend to do. The Union's position is simply this; under the present language in Section 3, Article XXX, if the Company takes any part of an Agent's debit without his consent, the Union believes it has a justifiable grievance, based on past Company practice, which it could successfully process. After many weeks of discussing this subject, the Company finally stated that it was their belief that the present language did not provide for the filing of a justifiable grievance.

Now the "hidden" facts have been placed squarely upon the table. ~~The Union contends that if the Company had the right which they claim they have, there is no need for new language. It is the opinion of the Union that the Company is attempting to expand and enlarge upon the meaning of Section 3, Article XXX by continually stating that they have these rights, although they are not sure of their position. Hence, the situation remains unchanged.~~

For more than eighty years, the Prudential Insurance Company has been able to grow and prosper with the times and during this period, they have always sought the consent of the Agent before they added to or reduced his debit. The Company did not start with 18,000 debits, but today they have such a field force under an established, recognized and fair practice; namely, obtaining the consent of the Agent before he accepted a transfer or gave up part or all of his debit. The Union must take a firm stand to protect its members from the unfair and unjust demand made by the Company.

In summarizing, the same issues are unresolved as of a week ago. The Company has refused to move from its "Debit" clause and insists upon a "Duration" of contract for four years.

**UNFAIR LABOR CHARGES:** On Monday, April 9, the Company filed a charge of Unfair Labor Practice against the Union because of our "Work Without a Contract" program. This only means that the Company is unhappy about the Union activity. In due time, the National Labor Relations Board will investigate the charges and determine its course of action. Meanwhile, there is no reason to let up in the Union program. The Company's name-calling is sure proof that the Union's program has been most effective and should be stepped up. Your full support at this crucial time is important so that we can negotiate a satisfactory contract.

**RESOLUTION:** Your local Union President has been notified regarding the Union's position on the resolution "All Go or None Go". We expect our membership to comply with this resolution and expect responsible local Union Officers to enforce the penalty provision of the resolution or else the International Union will. The next business conference is scheduled to be held in Chicago some time during this month. Negotiations are still in progress and every means at our disposal must be used in order to obtain a satisfactory contract.

Any Agent attending this Business Conference is giving comfort and solace to the Company and encouraging their stubborn attitude regarding the "Debit" clause and "Duration". Any Agent attending this Business Conference will weaken the Union's position at the bargaining table, thus depreciating our efforts to obtain a satisfactory contract.

517 We are aware that management is offering "expense money in advance" to some Agents in order to coerce and obligate them into attending the Conference. We urge our membership not to attend this Conference. It is our intention to picket the hotel in Chicago where the Business Conference will be held. Now is the time to demonstrate your true spirit of Unionism. Now, every Agent has the opportunity to vividly demonstrate his support and cooperation in the Union program.

**MANUAL DUES COLLECTION:** The President of your Local Union is the Officer entrusted with the responsibility of making certain that your Union dues have been paid for the current month. This is the opportune time for all

Agents to unite in this common struggle for a better way of life. Paying your Union dues is the finest installment toward the success of our struggle. If the Company's position prevails, any Agent at any time in the future can suffer the loss of income by debit cutting and the Union will be unable to protect him. Why must every Agent wait until he has been injured individually? Experience has proven that when we help one Agent, we help all Agents. Pay your Union dues and continue your splendid cooperation in the Union's "Work Without a Contract" program.

The schedule of activities for the week beginning April 16, 1956 has already been forwarded to your Local Union President and is as follows:

1. No business to be written until further notice.
2. Tuesday, April 17—Report to your district office at 8:30 A.M.—picket all district offices from 10:00 to 11:00 A.M. with distribution of leaflets.
3. Wednesday, April 18—picketing of all district offices between 12:00 and 1:00 P.M. with distribution of leaflets.
4. Friday, April 20—picketing all district offices between 12:00 and 1:00 P.M. with distribution of leaflets. Additionally, in those cities where regional offices are located, the regional office should be picketed between the hours of 1:00 and 2:00 P.M. with distribution of leaflets to the public.
5. Agents continue in a concerted effort to obtain policyholders' signatures on the petitions. Each Local Union should now have available, printed or mimeographed supplies of those petitions, which should be distributed to the members in sufficient quantities so that they can secure the signatures of their policyholders. These signed petitions should be returned to the President of each Local Union who will in turn mail them in bulk to Mr. Carrol M. Shanks, President of the Prudential Insurance Company of America, Newark, New Jersey. The success of this program will make it indelibly clear to the Company that the rightful owners of the Prudential, the policyholders, are supporting our program. Con-

time to turn them in, in great numbers, thereby enhancing our position at the bargaining table.

From the report rendered to you, you realize that this is the time to speed up our "Work Without a Contract" program. Rumors are rampant, but the facts speak for themselves. You have been fully informed regarding developments. The payment of your Union dues is important. You know that the Company's filing of the Unfair Labor Practice charge is an indication that they have been hurt. You know that the Company is unhappy because our membership are able to draw their salaries while continuing the program. You know that their underhanded attempt to inveigle Agents to attend the Business Conference is coercive and intimidating and you know that we will continue our efforts to obtain a satisfactory contract. Your activities and your wholehearted participation in the program are inspirational as we continue these negotiations.

The Action Planning Committee will meet in Washington, D. C. during the week-end of April 14 and 15.

With best wishes,

Sincerely and fraternally yours,

(signed) GEORGE L. RUSS  
George L. Russ  
President

518

**General Counsel's Exhibit No. 33V**

INSURANCE AGENTS' INTERNATIONAL UNION, AFL-CIO  
420-28 VICTOR BUILDING  
724 9TH STREET, N. W.  
WASHINGTON 1, D. C.

April 16, 1956

TO: PRESIDENTS OF PRUDENTIAL LOCAL UNIONS, MEMBERS OF  
THE GENERAL EXECUTIVE BOARD AND ORGANIZERS OF THE  
IAIU, AFL-CIO

Dear Sir and Brother:

For many weeks now we have forwarded to your letters of information regarding negotiations and the position of the

Company on several important matters that are still unresolved, including the Article on "Debits" and "Duration of Contract."

At this writing the position of the Company has not changed. Neither has our position changed.

In the course of the last few weeks, you were asked to participate in concerted activities in an effort to impress upon the Company the importance of negotiating a fair and equitable contract. Reports which I have received indicate that a large majority of our membership is participating in these activities. However, I am somewhat concerned regarding the lack of participation in a few areas and, therefore, in order to correct any weak spots, I am asking you to furnish me immediately the following information:

(1) Are the members in your Local Union contributing \$1.00 each week to the Defense Fund?

☐ YES

☐ NO

(2) Are the members in your Local Union picketing on Tuesdays from 10:00 A.M. to 11:00 A.M.?

☐ YES

☐ NO

(3) Are the members in your Local Union picketing on Wednesdays from 12:00 to 1:00 P.M. the district and detached offices?

☐ YES

☐ NO

(4) Are the members in your Local Union picketing on Fridays from 12:00 to 1:00 P.M. the district and detached offices?

☐ YES

☐ NO

(A) Are the members in your Local Union picketing Regional Offices from 12:00 to 1:00 P.M. on Fridays in cities where there are Regional Offices?

☐ YES

☐ NO

(5) Are the members in your Local refusing to write new business?

☐ YES

☐ NO

(6) Are the members in your Local Union obtaining policyholders' signatures on petitions, as per our instructions?

☐ YES

☐ NO

(7) Are the members in your Local Union refusing to attend the forthcoming business conferences?

☐ YES

☐ NO

If the answer is yes, let me know the number who have refused.

If the answer is no, or if any of the members in your Local are attending business conferences, let me have the number and the names and addresses of those who are attending.

It is most important that you send me the above-requested information at once. Should you care to comment in reference to the conditions existing in your Local Union, kindly do so accordingly for any comments or suggestions you may have that will help us strengthen our position will be greatly appreciated. Remember, the successful conclusion to a fair and equitable contract depends on the extent to which the members of the Union participate in the activities outlined for them. The contract will be won in the field—not at the negotiating table.

Awaiting your reply, and with best wishes, I am

Sincerely & fraternally yours,

GEORGE L. RUSS

George L. Russ, President

GLR:kc  
OEU=2

519

**General Counsel's Exhibit No. 33Y**

INSURANCE AGENTS' INTERNATIONAL UNION, AFL-CIO  
 420-428 VICTOR BUILDING, 724 NINTH STREET, N. W.  
 WASHINGTON 1, D. C.

April 19, 1956

TO: PRUDENTIAL MEMBERS

Dear Sir and Brother

This week the negotiations with the Company are being carried on under the auspices of Clyde Mills, Assistant Director of the United States Mediation and Conciliation Service and Commissioner James Holden. The Company committee, fresh from its conquest in the Middle West where it is reported they persuaded the Independent Union to accept a three-year agreement, including all Company proposals and the "Debit" clause, met a determined Union Negotiating Committee of the IAIU who would not succumb to the promises of the Company.

**DEBITS:** A dispute now wages concerning the meaning and interpretation of Section 3, Article XXX. It is the contention of the Union that an Agent under a recognized and established practice shall have the right to refuse to *accept* or to *transfer* a part or all of his debit without being arbitrarily compelled to do so. It has been established as far back as 1942 at an NLRB hearing that the Company has acknowledged that they have never taken debit from any Agent without his consent. We believe that they intend in the future to take debit away from an Agent without his consent. They do not want one Agent to stand in the way of their expansion program.

The Union believes that if the Company takes debit from an Agent against his will under the present language of Section 3, Article XXX, the Union could file a grievance and process that grievance to arbitration with a degree of success. The acceptance of the new language as proposed by the Company means that the Union could not file a grievance in behalf of an Agent who had debit taken away from him under compulsion. This departure from an acknowledged and recognized practice would be detrimental to the Agent and a definite lessening of his working conditions. We must

have every opportunity to submit justifiable grievances up to arbitration without the Company blocking our approach as the new language in their proposal would undoubtedly do.

A *practice* which has been in existence for so many years; a *practice* which is well known and understood by all Agents; a *practice* which has been fair and just to all Agents—this practice would be washed away by the Company in its attempt to change such a practice with a new clause.

I predict that if by some quirk of fate a contract were negotiated which enabled the Company to change this "practice" many Agents would be adversely affected. There would be a significant change in the past custom which would result in countless Agents being compelled to yield a part or all of their debits under the Company's dynamic expansion program.

In brief, we believe under the present language we can protect an Agent against encroachment upon his debit by the Company. Under the Company's proposal we would be powerless.

**DURATION OF CONTRACT:** With respect to duration of the contract, the Company still says four years. We believe that four years is too long a period of time to wait for improvements in compensation, for improvements in working conditions, for the opportunity to review and improve E.S.P. We are opposed to the Company's newly-instituted plan permitting managers and staff managers to write monthly debit business and receive first year commissions. We believe this is a dangerous precedent and we do not want to wait too long for the opportunity to prove our point. We are not completely satisfied with the Commission rates for Senior S. & A. and we want the opportunity to improve this particular type of a contract. We are unhappy with the Debit Builders Plan and even with a slight improvement offered by the Company it is still, in our opinion, unworkable and we look forward to the day when we can have this plan abolished as the Company is unwilling to improve it to the extent where an Agent can make a decent living without being beaten to death. In addition,

we do not intend to forfeit forever the right to negotiate commission rates for new policies. This Union by law is the recognized bargaining agent for rates of pay, wages, conditions of employment, etc., and we do not want to forfeit these rights for a four-year period. As we have pointed out to you previously, a four-year contract would take us into the Year 1960 and it would have provided only one increase in compensation for an eight-year period. In addition we must improve the lot of the working Agent.

**MANUAL DUES:** Be sure that you have paid your Union dues manually. This will enable the International Union to continue its necessary operations. This is a test of survival. If your Union is to truly represent you, we must have your support in the field. This struggle will be won by men like yourself who are carrying out the program. So, you can see the payment of your dues is the first step in the success of the program.

520 **RESOLUTION:** We repeat to you that any Agent attending a business conference in addition to giving comfort to the Company is also saying to the Union, "you might as well accept the Company proposals." The resolution "All Go or None Go" must be successfully carried out. We realize the hardships but we also are fully aware of what an undesirable contract can do to our membership. The Company is mailing pink sheets to the homes of the Agents. This is a new practice. The Company is now sending checks to the homes of those Agents who have qualified to attend business conferences. This is temptation. The Company is calling up the wives of these Agents who have qualified, urging them to come along with their husbands. Yes, and the Company is infringing upon the Agents' franchise as a Union member, attempting to alienate the Agent from his Union, filing unfair labor practice charges, and where necessary, endeavoring to coerce and intimidate Agents by making unfounded and baseless charges. Yes, they are making promises of advancement to key Union members and attempting to frighten other Agents into surrendering to their blandishments.

As a Union we are committed to providing job security and peace of mind to the Agent and we will not compromise these principles for expediency. Every member of the

Union gives a little bit of himself to his Union and we will continue to preserve his identity and interest. Any Agent attending a business conference can bring disaster to the Union's Negotiating Committee and to the Union program. Any Agent who attends this conference is in effect saying to his negotiator, "I am leaving you high and dry."

What has brought this all about? Why is the Company attempting, after these many years, to prevent an Agent from filing a justifiable grievance? In the last calendar year, there were more than 1000 grievances filed against the Prudential Insurance Company by our members. There must have been many grievances which required immediate just and fair disposition; more than a thousand instances of where in the opinion of our membership the Company had committed a wrong. Rather than permit the Agent to express his honest opinion by filing a grievance, the Company is attempting to stifle his rights.

During the period of the last agreement, there have been approximately nine cases submitted to arbitration. The Union was victorious in six of these cases. This is conclusive evidence, as proven by a Board or Arbitration, that the Company had erred on at least six occasions. Now, the Company seeks through new language to close the door to such future cases.

Your Local Union President has been notified with respect to the schedule of activities, listed below, for the week beginning April 23, 1956.

- (1) No business to be written until further notice.
- (2) Tuesday, April 24—report to the district office at 8:30 A.M.—picket district office from 10:00 A.M. to 11:00 A.M. with distribution of leaflets to the public.
- (3) Wednesday, April 25—picket the district office between 12:00 and 1:00 P.M. with distribution of leaflets to the public.
- (4) Friday, April 27—picket district office between 12:00 and 1:00 P.M. with distribution of leaflets. In those cities where Regional Offices are located

also picket the Regional Offices between 1:00 and 2:00 P.M. with a distribution of leaflets.

- (5) During the week, continue the concerted effort to obtain policyholders' signatures to the petitions. All the signed petitions to be delivered to the President of each Local Union who will in turn mail them in bulk to Mr. Carrol M. Shanks, President of the Prudential Insurance Company of America, Newark, N.J., except those Locals in the vicinity of the Home Offices in Newark, N.J.—Los Angeles, California—Chicago, Illinois—Jacksonville, Florida. In these localities, the membership involved will deliver the signed petitions in person to the chief executive officer of the Company in charge of that particular Home Office on Friday, April 27, 1956 at 3:30 P.M.

**WORK WITHOUT A CONTRACT PROGRAM:** The continuation of the Work Without A Contract program is vital. All members of Local Unions in areas adjoining the respective Home Offices of the Company should contact their Local Union President and make the necessary arrangements to participate in the march to the Home Office on April 27 where they will present in person the thousands of petitions signed by policyholders. Your Executive Board member has been urged to cooperate in this endeavor. We expect that all Local Unions in the vicinity of the Home Office in Newark, N.J. will take part in this mass demonstration of strength by being in Newark, N.J. on April 27 and presenting these petitions in person to President Shanks at approximately 3:30 P.M. Make this the greatest event in the performance of our program.

With best wishes, I am

Sincerely and fraternally yours,

GEORGE L. RUSS  
George L. Russ  
*President*

GLR:kc  
OEIU #2

## COPY

INSURANCE AGENTS' INTERNATIONAL UNION, AFL-CIO  
 724 9TH ST., N.W., 420-28 VICTOR BLDG.  
 WASHINGTON 1, D. C.

May 23, 1956

TO: PRUDENTIAL MEMBERS

Dear Sir and Brother:

Negotiations with the Prudential Insurance Company were resumed on May 21 and the Union was represented by its International officers while the Company Committee consisted of the customary four, whose Chairman is its Vice-President, Mr. Pearce Shepherd.

The General Executive Board of the IAIU had concluded its own semi-annual meeting on Friday, May 18. The Board very carefully and considerably reviewed the Union's program of "Work Without A Contract" and gave its blessings to its continuation until a mutually satisfactory contract has been reached. The Board directed that the Union continue to advance the principles of trade unionism and that its members would take a more active part in the performance of this program. In addition, the G.E.B. took steps which would permit the International Union and its Negotiating Committee to bargain with the Company on a basis of "realism" in order that a mutually satisfactory agreement could be reached.

Thus, the "Work Without A Contract" program goes forward. The "May Month" has already begun and our membership is meeting the Company's defiant challenge of the Union by carrying out and respecting the Union's program of "May Policyholders Month." The conduct of the Company demonstrates quite clearly that they are engaged in a program of fear and intimidation against the Agent. Management's challenge of Union's directives will be met head on by our united membership.

The security of our membership and their inalienable right to earn a decent living are standards for which we will fight to the very last. Many changes for the better have

occurred in the insurance industry since the advent of the Union and the IAIU must continue its dedicated and devoted duty to its membership by preserving its hard-won gains.

These negotiations with the Prudential Insurance Company reveal that this Company may well be attempting to influence the policy of the insurance industry by (1) negotiating a long-term contract and (2) weakening the Union's ability to properly represent its membership. It is evident that industry in general has been attempting the same type of negotiations, as indicated by the telephone strike in Southern Bell, the Westinghouse strike and the Kohler strike in Wisconsin.

**"THOMAS BILL":** You have heard about this bill frequently in the past because it was enacted into law in the State of New Jersey and provided for an increase in the Board of Directors of the Prudential Insurance Company from 16 members to 22 members in addition to the President of the Company, all of whom must be policyholders. The "elected" directors would be 16 in number. The "public" directors would be 6 in number and would be appointed by the Chief Justice, one of their terms expiring each year. The terms of office of four of the elected directors would expire each year. No policyholder or group of policyholders, no matter how large, could in any manner cause the nomination of any one to the office of director. The nominations made by the Board of Directors would be tantamount to election, although present duties require that a formal election be held, with no one else on the ballot other than those nominated by the Board of Directors. These excerpts from the bill show that this proposal was a move calculated to perpetuate in office the present Board of Directors and to deprive the Company's policyholders for all time of the opportunity to have an effective vote in the management of the Company which they own. Originally announced as a move to democratize the Company, it is in fact just the opposite.

**MANUAL DUES:** Every agent must pay his Union dues manually so that this program can succeed. This is the time for all Agents to pay their Union dues and make certain that the Union survives. Without the security of the

Union in the industry there would be turmoil and turbulent strife. The very existence of the Union and the future of every Agent is at stake as we continue our "Work Without A Contract" program. The first step in participation of this program is for every eligible Agent to pay his Union dues.

522 Your Local Union President has already been notified of the "Work Without A Contract" program effective for the week beginning May 28, which is as follows:

(1) The Union's directive for "May Policyholders Month" remains unchanged.

(A) No Agent to accept any Company material for this campaign.

(B) No Agent to be subjected to any kind of pressure—no extra hours—no special effort—no Agent to be influenced by Company propaganda.

(C) No Agent to perform Company duties after 4:30 P.M. and this means no Agent to write any business after that hour—No Agent assigned to a Staff Manager to perform any duties after 4:30 P.M. and this means no writing of business after that hour.

(D) No Agent to be cajoled, coerced or flattered into outstanding production. If management attempts to hold meetings regarding the Company's "May Policyholders Month", no Agent is to show any interest or enthusiasm or take part in such a meeting. No Agent to be intimidated by management actions.

(2) Tuesday, May 29—Picketing of district offices and detached offices between the hour of 8:30 A.M. and 9:30 A.M. with a distribution of leaflets to the public. At 9:30 A.M. all Agents to report in a body to the office. We expect Company offices to be picketed, but where Local Union leadership finds it most effective they can determine whether it will be the detached or the district office.

(3) Friday, June 1—Picketing of district offices and detached offices between the hour of 8:30 A.M. and 9:30

A.M. with a distribution of leaflets to the public. At 9:30 A.M. all Agents to report in a body to the office. We expect Company offices to be picketed, but where Local Union Leadership finds it most effective they can determine whether it will be the detached or the district office.

- (4) Intensify your efforts to obtain the signatures of policyholders on petitions and make certain that these signed petitions are turned over to your Local Union President. At the appropriate time these signed petitions will be presented to a Governmental agency under the direction of the International Union.
- (5) "Thomas Bill": Highlights of this bill will be printed for distribution to policyholders and public. (Additional information on this subject will be available in a subsequent letter.)

This "May Policyholders Month" from May 21 to June 22 for which the Company intends to give gifts of intrinsic value to the Agent will not be acceptable to the Agents.

Here and there, local management continues its brazen attempt to frighten Agents by calling them into the office and notifying them of alleged violations of an Agent's Agreement. Bear this thought in mind, all Agents are engaged in a concerted activity sponsored and directed by the International Union. All Agents are effected in the same manner. Be courageous.

We shall continue to keep you abreast of discussions with the Company. Meanwhile, be certain that you and your brother Agents are participating fully and completely in the "Work Without A Contract" program so that a mutually satisfactory agreement can be reached.

With best wishes, I am

Sincerely and fraternally yours,  
 GEORGE L. RUSS  
*President*

**General Counsel's Exhibit No. 33SS**

INSURANCE AGENTS' INTERNATIONAL UNION, AFL-CIO  
 420-28 VICTOR BLDG., 724 9TH ST., N.W.  
 WASHINGTON 1, D. C.

June 4, 1956

TO: PRESIDENTS OF PRUDENTIAL LOCAL UNIONS, MEMBERS OF  
 THE GENERAL EXECUTIVE BOARD AND ORGANIZERS OF THE  
 IAIU, AFL-CIO

Dear Sir and Brother:

Since negotiations began we have forwarded you weekly letters of information regarding the negotiations and the position of the Company and the Union on several important matters that are still unresolved, including the article on "debts" and "duration of contract." At this writing, I must advise you again that the position of the Company is not changed and neither has the Union changed its position in its determination to properly represent our membership in accordance with the National Labor Relations Act, as amended. In all correspondence of the last few weeks, you were asked to participate in concerted activities in an effort to impress upon the Company the importance of completing the negotiations for a fair and equitable contract. Reports which I have received indicate that a large majority of our membership are participating in these activities. However, I am somewhat concerned regarding the lack of participation in a few of the areas and, therefore, in order to correct any weak spots existing, I am asking you to furnish me with the following information:

(1) Are the members in your Local Union contributing \$1.00 each week to the Defense Fund?

☐ YES

☐ NO

(2) Are the members in your Local Union picketing on Tuesday from 8:30 A.M. to 9:30 A.M.?

☐ YES

☐ NO

(3) Are the members in your Local Union picketing on Fridays from 8:30 A.M. to 9:30 A.M.?

☐ YES

☐ NO

(4) Are the members in your Local Union, who have Staff Managers assigned to them, refusing to perform any duties with that Staff Manager after 4:30 P.M.?

☐ YES

☐ NO

(5) Are the agents refusing to accept any Company material for this present new business campaign?

☐ YES

☐ NO

(6) Are the agents obtaining signatures of policyholders on petitions which were sent you under date of April 25?

☐ YES

☐ NO

(7) Will the agents in your Local refuse to accept gifts of intrinsic value which may be offered to them for production awards?

☐ YES

☐ NO

It is important that you send me the above-requested information at once. It is the only means I have of knowing how well all of our Locals are participating in the program. Should you care to comment on the conditions existing in your Local Union, kindly do so for any comment or suggestions you may have that will help us strengthen our position will be greatly appreciated. Remember, the successful conclusion to a fair and equitable contract depends on the extent to which the members of the Union participate in the activities assigned to them.

The contract will be won in the field and not at the negotiating table. Job security must be supported by job protection.

With best wishes, I am

Sincerely & fraternally yours,

GEORGE L. RUSS,

George L. Russ,

*President*

GLR:ke  
OEU-2

524 • **General Counsel's Exhibit No. 33XX**

INSURANCE AGENTS' INTERNATIONAL UNION, AFL-CIO  
 724 9th St., N.W., 420-28 Victor Bldg.,  
 Washington 1, D. C.

June 24, 1956

TO: PRUDENTIAL MEMBERS

Dear Sir and Brother:

These are the latest developments regarding Prudential negotiations. After these many weeks of discussions between the officers of the Union and the Company Committee, it is our opinion that sufficient progress has been made to warrant calling in the Union's seven-man Negotiating Committee. Consequently, the Negotiating Committee has been recalled to resume full negotiations with the Company on Monday, June 25, 1956. This information was forwarded in a telegram to your Local Union President and in a follow-up letter. It is also our intention to bring back the Collective Bargaining Policy Committee to assist the Negotiating Committee during these parleys.

Furthermore, the Company's "May Month" came to an end on Friday, June 22 and because of the present status of these negotiations the "Work Without a Contract" program was discontinued until further notice from the National Office. After June 22 there will be no more picketing, distribution of leaflets or any other activity relevant to the "Work Without a Contract" program.

All agents beginning Tuesday, June 26 will report to their district office on reporting days at 8:30 A.M. and resume their normal and customary duties. We are hopeful that the Union's Collective Bargaining Policy Committee will be able to conclude an agreement with the Prudential which can be recommended to our membership.

We will continue to keep you advised.

With best wishes, I am

Sincerely and fraternally yours,

GEORGE L. RUSS

George L. Russ

President

GLR:ke

OEU-2

525

General Counsel's Exhibit No. 34

**PRUDENTIAL AGENTS**

Seek a

**Satisfactory Contract!**

1. The Prudential Insurance Company of America has refused a "Satisfactory Contract" to its agents.
2. The Prudential Insurance Company of America is attempting to "Destroy Our Union" and emasculate our working conditions.
3. The Prudential Insurance Company of America sells and advertises SECURITY to the public but denies "SECURITY" to its agents.
4. The Prudential Insurance Company of America—WITH 12½ BILLION DOLLARS OF ASSETS—REFUSED OUR "NEEDS".

All we ask for is

**'A Satisfactory Contract'**

Wire or Write to: Carrol M. Shauks, President  
Prudential Insurance Company of America,  
Home Office, Newark, New Jersey,

and urge him

TO AGREE TO A SATISFACTORY CONTRACT

We are members of the

INSURANCE AGENTS' INTERNATIONAL UNION AFL-CIO

[SEAL]

526

General Counsel's Exhibit No. 38F

Dear Brother:

You are one of 20 members of the Local who has up to this point repeatedly failed to carry out the Union's Program. The alternative to the Union's Program is *Total STRIKE* or *ACCEPTING THE COMPANY'S PROPOSALS* which would give them the right to reduce, abolish or transfer

your debit or any part of your debit according to how they felt. In addition they would refuse you the right to file a grievance and deprive you of many of the rights that are necessary to your being able to continue serving your policyholders with a free mind and providing for your family.

It is inconceivable that any member of the Union is willing to advocate any of the alternatives in preference to our program. While it is true that carrying out the program has its price in sacrifice and inconvenience, in the light of the alternatives the price is small.

In justice to our membership we cannot overlook the failure on the part of a segment of members regardless of how small that segment might be to do their share. The member who fails to carry out the program lends aid and comfort to the company and its unjust cause and encourages them to prolong this struggle.

We would prefer to give you every benefit of the doubt. We would be interested in hearing your side of the story before we take any action to correct this situation. It follows that those members who are not carrying out the program could conceivably be responsible for encouraging the company to provoke a strike, therefore, immediate action is required.

We would suggest that you either call or write us as soon as you receive this letter so that you can get back on the right track. Failure on your part to communicate with us prior to April 9th will serve as an indication that you intend to continue to jeopardize the security and welfare of the members of the Union and leave us no alternative other than to take action commensurate with the serious effect your continued absenteeism will have on our membership.

Fraternally yours,

JOSEPH POLLACK  
President

JP:jb  
ccitt=153  
4 3 56

527

**General Counsel's Exhibit No. 38Q**

LOCAL 19 — INSURANCE AGENTS' INTERNATIONAL UNION, AFL-CIO  
247 W. 46 St., N. Y. C.

Dear Brother:

Through their continued stalling and unreasonable actions at the bargaining table, the company has made crystal clear to the Union their obvious intention to hide behind the policyholders' billions of dollars of assets and to play a waiting game in the hope of wearing the Agents down, forcing them to capitulate to the company's unreasonable demands.

In view of the turn taken in this struggle, the Union is moving into the second phase of the program which is designed to enable the membership to fully carry out a most effective program for as long a period as need be.

As a result of moving ahead into the second phase, commencing with the week of May 7th, you will resume your normal activities regarding the writing of new business until further notice. However, new business applications will be turned in direct and not through the Staff Managers. We will not tolerate any attempt on the part of management to read the 592's or take reports of new business — all of your apps will be put in the chute and you will not give your Staff Manager any report regarding new business writing. It is important that each member adhere to this practice.

Regarding the scheduling of vacations, the present practice on vacations is rescinded and effective the week of May 21st, 1956, members may take their vacation with the qualification that in the event of a strike they must immediately notify the company that very day officially that they are on strike and not on vacation. It will be the obligation of the member to see that the chairman or acting chairman, if necessary, gets in touch with the member to notify him if it becomes necessary.

Your Chairman will fill you in on details of the rest of the program regarding picketing and demonstrations designed to intensify the campaign to force Prudential's self-perpetuating directors to withdraw their unreasonable demands

and adhere to the demands of the real owners of the company, the policyholders.

The company worked overtime in an effort to break down those men invited to the Chicago business conference. The company enjoyed some small success when some members were temporarily misled by management, however, as soon as the members involved were able to see the true principles and issues involved, the small success enjoyed by the company was reduced to an insignificant sum which we still hope to reduce to zero. There are some scabs in our area who have been invited, however, as far as Union members are concerned the number is down to 20 with most of these questionable and an excellent likelihood that this figure will be reduced by Friday. Your Chairman has the exact figures on this report. Any member who does attend the business conference will be expelled as a betrayer. In addition the facts of his betrayal will be adequately brought before the eyes of the members so that his betrayal will follow him for as long as he remains in this business. We expect to have very few members fall in this category.

Regarding negotiations, the Union has offered various counterproposals on the debit article, all of which the company has flatly refused. The Union's proposals included the right of the Union to file grievances in the event the debit article is abused by arbitrary or unreasonable conduct; the company refuses to qualify their demand for full right to reduce or abolish, etc. The fight will continue—we are now geared to continue this fight as long as need be—the full power of the policyholders and organized labor will eventually be felt in this struggle—we will never surrender to the company's demands.

Carry out your instructions—continue to support the program. The full force of our united strength shall continue to protect us from any injustices until a contract is concluded.

**JOSEPH POLLACK**  
Joseph Pollack  
President

JP:jb  
ocin=153  
5-3/56

528

**General Counsel's Exhibit No. 38U**

LOCAL 19— INSURANCE AGENTS' INTERNATIONAL UNION, AFL-CIO  
247 West 46th Street, New York 36, N. Y.  
Suite 601  
PLaza 7-6478-9

May 25, 1956

Mr. Charles Wiederer,  
Jefferson Ave.,  
St. James, N. Y.

Dear Sir:

Having been charged with violation of Section 1(a), 1(b) and 1(j) of Article XIX of the Constitution of the Insurance Agents' International Union, AFL(CIO).

Having been furnished a copy of the charges and accorded an impartial hearing under the provisions of Sections A and B of Article IX of the Local 19 By-laws (amended).

Having been found guilty as charged, the Local 19 Executive Board meeting in special session on May 24, 1956, after hearing a report of the Trial Board and reviewing the pertinent facts in the case, directed that effective May 25, 1956 you are expelled as a member of Local 19, Insurance Agents' International Union, AFL-CIO.

You are directed to immediately return to your District Chairman or direct to the Local your Union Card, Union Lapel Emblem and all other books or papers which would in any way indicate that you are a member of this Union.

Very truly yours,

JOSEPH POLLACK  
Joseph Pollack  
President

JP:jb

oeiu#153

General Counsel's Exhibit No. 42

**The Prudential Insurance Company****HAS REFUSED US A FAIR  
CONTRACT**

-----

**THEY ARE ATTEMPTING TO  
DESTROY OUR UNION AND  
WORSEN OUR WORKING  
CONDITIONS**

-----

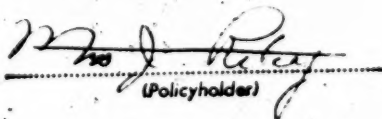
**"Prudential" Advertises  
SECURITY for ALL but denies  
SECURITY to its AGENTS**

-----

**INSURANCE AGENTS' INTERNATIONAL UNION****Local No. 54, AFL-CIO****503 Empire Building****Pittsburgh 20, Pa.****General Counsel's Exhibit No. 44A**To: **CARROL M. SHANKS****PRESIDENT****PRUDENTIAL INSURANCE COMPANY****NEWARK 1, NEW JERSEY**

As a policyholder in the Prudential Insurance Company of America, which is a mutual company, I want you to negotiate a contract with the Insurance Agents' International Union, AFL-CIO which will provide fair and favorable working conditions; which will guarantee my Agent's job security and maintenance of his established clientele.

As the Executive Officer of my company, I petition you not to create a situation which will deprive me of my Agent's friendly service and wise counsel.

  
-----  
(Policyholder)

**47-30378**  
-----  
(Policy Number)

# **THE PRUDENTIAL INSURANCE COMPANY OF AMERICA IS CREATING A LABOR DISPUTE**

**THE OFFICIALS OF THE PRUDENTIAL ARE  
ATTEMPTING TO DESTROY OUR UNION  
WITH STALLING TACTICS, AND USING SOME  
OF THE 12½ BILLION DOLLARS THAT BELONG  
TO THE POLICYHOLDERS.**

**WE HAVE BEEN WORKING WITHOUT A  
CONTRACT SINCE MARCH 18th AND THE  
PRUDENTIAL IS DETERMINED THAT WE SHALL  
NOT HAVE A CONTRACT OTHER THAN ON  
THEIR TERMS.**

**THE PRUDENTIAL INSURANCE COMPANY IS  
DETERMINED TO ELIMINATE SOME OF THE  
VERY VITAL ITEMS IN OUR CONTRACT. IF  
THEY SUCCEED WE WILL NOT HAVE THE  
SECURITY THAT IT TOOK US YEARS TO  
OBTAIN.**

**WRITE TO**

**CARROL M. SHANKS,**

**PRESIDENT OF THE  
PRUDENTIAL INSURANCE COMPANY OF AMERICA,  
HOME OFFICE, NEWARK, NEW JERSEY,**

**AND URGE HIM TO AGREE TO A SATISFACTORY CONTRACT  
WE ARE MEMBERS OF THE INSURANCE AGENTS'  
INTERNATIONAL UNION, AFL-CIO - LOCAL "76"**

DISTRICT AGENCIES HOME OFFICE COMBINED  
ALL BRANCHES NEW BUSINESS REPORTED  
CANVASSING RESULTS WEEK BY WEEK

(Amount in Millions)

| Week | 1955  | 1956 |
|------|-------|------|
| 1    | 47.6  | 42.5 |
| 2    | 60.3  | 63.2 |
| 3    | 61.9  | 67.2 |
| 4    | 59.6  | 69.1 |
| 5    | 54.3  | 67.0 |
| 6    | 59.4  | 66.6 |
| 7    | 59.8  | 64.7 |
| 8    | 53.9  | 61.2 |
| 9    | 57.5  | 64.9 |
| 10   | 60.1  | 65.6 |
| 11   | 61.8  | 65.9 |
| 12   | 60.0  | 19.2 |
| 13   | 52.0  | 18.6 |
| 14   | 46.9  | 24.1 |
| 15   | 60.8  | 26.2 |
| 16   | 49.8  | 25.0 |
| 17   | 39.1  | 24.1 |
| 18   | 100.4 | 17.6 |
| 19   | 73.5  | 70.5 |
| 20   | 71.7  | 50.4 |
| 21   | 68.5  | 85.5 |
| 22   | 53.5  | 59.6 |
| 23   | 52.7  | 71.1 |
| 24   | 47.3  | 68.1 |
| 25   | 46.8  | 75.4 |
| 26   | 46.1  | 55.6 |

## General Counsel's Exhibit No. 59B

1955

DISTRICT AGENCIES H.O. COMBINED ALL  
BRANCHES NEW BUSINESS OFFICIAL ISSUE  
WEEK BY WEEK

(Amount in Millions)

| Date | Ordinary | Debit | S & A | Combined<br>All Branches |
|------|----------|-------|-------|--------------------------|
| 1 3  | 21.6     | 6.3   | 5.5   | 33.4                     |
| 1 10 | 14.8     | 9.8   | 3.5   | 28.1                     |
| 1 17 | 15.4     | 11.7  | 3.5   | 30.6                     |
| 1 24 | 17.9     | 11.8  | 5.3   | 35.0                     |
| 1 31 | 21.2     | 11.8  | 6.2   | 39.2                     |
| 2 7  | 22.3     | 10.9  | 6.2   | 39.4                     |
| 2 14 | 20.5     | 11.4  | 6.3   | 38.2                     |
| 2 21 | 20.5     | 10.8  | 6.4   | 37.7                     |
| 2 28 | 27.1     | 11.2  | 5.7   | 44.0                     |
| 3 7  | 26.4     | 12.1  | 6.9   | 45.4                     |
| 3 14 | 26.7     | 12.2  | 6.8   | 45.7                     |
| 3 21 | 26.0     | 11.7  | 6.3   | 44.0                     |
| 3 28 | 25.5     | 10.9  | 6.2   | 42.6                     |
| 4 4  | 23.9     | 9.9   | 6.2   | 40.0                     |
| 4 11 | 23.9     | 9.9   | 4.9   | 38.7                     |
| 4 18 | 24.5     | 10.3  | 6.0   | 40.8                     |
| 4 25 | 25.6     | 10.1  | 5.5   | 41.2                     |
| 5 2  | 24.3     | 9.6   | 5.3   | 39.2                     |
| 5 9  | 24.1     | 12.4  | 4.9   | 41.4                     |
| 5 16 | 25.2     | 12.1  | 4.9   | 42.2                     |
| 5 23 | 26.4     | 12.8  | 5.2   | 44.4                     |
| 5 30 | 26.4     | 11.2  | 5.7   | 43.3                     |
| 6 6  | 34.5     | 10.6  | 4.5   | 49.6                     |
| 6 13 | 31.0     | 11.7  | 5.2   | 47.9                     |
| 6 20 | 28.9     | 10.6  | 4.3   | 43.8                     |

## General Counsel's Exhibit No. 59C

1956

DISTRICT AGENCIES H.O. COMBINED ALL  
BRANCHES NEW BUSINESS OFFICIAL ISSUE  
WEEK BY WEEK

(Amount in Millions)

| Date | Ordinary | Debit | S & A | Combined<br>All Branches |
|------|----------|-------|-------|--------------------------|
| 1 2  | 17.9     | 6.6   | 2.0   | 26.5                     |
| 1 9  | 20.9     | 9.9   | 1.9   | 32.7                     |
| 1 16 | 18.9     | 13.9  | 1.9   | 34.7                     |
| 1 23 | 21.2     | 15.0  | 2.4   | 38.6                     |
| 1 30 | 22.5     | 14.0  | 2.8   | 39.3                     |
| 2 6  | 24.0     | 14.8  | 3.2   | 42.0                     |
| 2 13 | 24.0     | 15.3  | 3.4   | 42.7                     |
| 2 20 | 29.5     | 13.7  | 2.5   | 45.7                     |
| 2 27 | 29.5     | 15.9  | 3.0   | 48.4                     |
| 3 5  | 29.8     | 16.1  | 3.9   | 49.8                     |
| 3 12 | 31.6     | 16.1  | 3.5   | 51.2                     |
| 3 19 | 25.4     | 13.6  | 3.2   | 42.2                     |
| 3 26 | 27.0     | 9.2   | 2.4   | 38.6                     |
| 4 2  | 27.0     | 8.9   | 2.8   | 38.7                     |
| 4 9  | 24.8     | 8.4   | 3.1   | 36.3                     |
| 4 16 | 19.4     | 7.5   | 2.2   | 29.1                     |
| 4 23 | 18.7     | 7.2   | 2.1   | 28.0                     |
| 4 30 | 15.5     | 6.8   | 1.9   | 24.2                     |
| 5 7  | 13.6     | 6.3   | 1.9   | 21.8                     |
| 5 14 | 14.5     | 16.4  | 1.8   | 32.7                     |
| 5 21 | 17.2     | 13.7  | 2.0   | 32.9                     |
| 5 28 | 15.8     | 13.4  | 2.6   | 31.8                     |
| 6 4  | 28.2     | 12.7  | 2.4   | 43.3                     |
| 6 11 | 27.5     | 13.8  | 3.4   | 44.7                     |
| 6 18 | 28.7     | 15.5  | 3.7   | 47.9                     |

## General Counsel's Exhibit No. 59D

DISTRICT AGENCIES HOME OFFICE COMBINED  
DEBIT (DEBIT LIFE & ESP) NEW BUSINESS  
REPORTED CANVASSING RESULTS—  
WEEK BY WEEK

(Amount in Millions)

| Canvassing<br>Weeks | 1955 | 1956 |
|---------------------|------|------|
| 1                   | 12.1 | 11.9 |
| 2                   | 13.6 | 16.2 |
| 3                   | 13.9 | 17.1 |
| 4                   | 12.6 | 17.7 |
| 5                   | 12.1 | 17.4 |
| 6                   | 13.4 | 18.1 |
| 7                   | 13.1 | 16.5 |
| 8                   | 12.0 | 16.2 |
| 9                   | 13.2 | 16.8 |
| 10                  | 13.4 | 17.8 |
| 11                  | 12.8 | 17.0 |
| 12                  | 11.8 | 4.9  |
| 13                  | 11.1 | 5.1  |
| 14                  | 11.4 | 6.9  |
| 15                  | 11.5 | 7.4  |
| 16                  | 11.1 | 6.8  |
| 17                  | 10.3 | 6.1  |
| 18                  | 15.4 | 4.9  |
| 19                  | 13.8 | 20.7 |
| 20                  | 14.5 | 14.5 |
| 21                  | 13.3 | 20.6 |
| 22                  | 10.9 | 15.0 |
| 23                  | 12.3 | 17.6 |
| 24                  | 11.2 | 16.8 |
| 25                  | 11.0 | 17.0 |
| 26                  | 10.2 | 13.4 |

## General Counsel's Exhibit No. 59E

1955

DISTRICT AGENCIES HOME OFFICE COMBINED  
DEBIT (DEBIT LIFE & ESP) NEW BUSINESS  
OFFICIAL ISSUE - WEEK BY WEEK

(Amount in Millions)

| Date | Weekly<br>Premium | Monthly<br>Debit<br>Ordinary | Inter-<br>mediate<br>Ordinary | Combined<br>Debit |
|------|-------------------|------------------------------|-------------------------------|-------------------|
| 1 3  | 2.0               | .6                           | 3.7                           | 6.3               |
| 1 10 | 3.2               | .6                           | 6.0                           | 9.8               |
| 1 17 | 3.8               | .9                           | 7.0                           | 11.7              |
| 1 24 | 3.9               | .9                           | 7.0                           | 11.8              |
| 1 31 | 3.9               | 1.1                          | 6.8                           | 11.8              |
| 2 7  | 3.5               | 1.0                          | 6.4                           | 10.9              |
| 2 14 | 3.7               | .9                           | 6.8                           | 11.4              |
| 2 21 | 3.7               | .7                           | 6.4                           | 10.8              |
| 2 28 | 3.6               | 1.2                          | 6.4                           | 11.2              |
| 3 7  | 3.8               | 1.2                          | 7.1                           | 12.1              |
| 3 14 | 4.1               | 1.0                          | 7.1                           | 12.2              |
| 3 21 | 3.8               | 1.1                          | 6.8                           | 11.7              |
| 3 28 | 3.6               | 1.1                          | 6.2                           | 10.9              |
| 4 4  | 3.2               | .8                           | 5.9                           | 9.9               |
| 4 11 | 3.4               | 1.1                          | 5.4                           | 9.9               |
| 4 18 | 3.3               | .9                           | 6.1                           | 10.3              |
| 4 25 | 3.3               | 1.0                          | 5.8                           | 10.1              |
| 5 2  | 3.0               | 1.0                          | 5.6                           | 9.6               |
| 5 9  | 4.0               | 1.0                          | 7.4                           | 12.4              |
| 5 16 | 4.0               | 1.0                          | 7.1                           | 12.1              |
| 5 23 | 3.8               | 1.6                          | 7.4                           | 12.8              |
| 5 30 | 3.4               | .8                           | 7.0                           | 11.2              |
| 6 6  | 2.8               | 1.2                          | 6.6                           | 10.6              |
| 6 13 | 3.1               | 1.2                          | 7.4                           | 11.7              |
| 6 20 | 3.0               | .8                           | 6.8                           | 10.6              |
| 6 27 | 2.8               | .9                           | 6.2                           | 9.9               |

## General Counsel's Exhibit No. 59F

1956

**DISTRICT AGENCIES HOME OFFICE COMBINED  
DEBIT (DEBIT LIFE & ESP) NEW BUSINESS  
OFFICIAL ISSUE—WEEK BY WEEK**

Premium (Monthly)

(Amount of Insurance—Millions)

| Date | E.S.P. | E.S.P.<br>Production<br>Credit | Weekly<br>Premium | M.D.O. | Int.<br>Ord. | Combined<br>Debit |
|------|--------|--------------------------------|-------------------|--------|--------------|-------------------|
| 1 2  | 3288   | 1.315                          | 4.5               | .4     | 3.4          | 6.6               |
| 1 9  | 5014   | 2.006                          | 2.2               | .5     | 5.2          | 9.9               |
| 1 16 | 7683   | 3.073                          | 3.2               | .5     | 7.1          | 13.9              |
| 1 23 | 5126   | 2.050                          | 4.7               | .6     | 7.7          | 15.0              |
| 1 30 | 5512   | 2.205                          | 3.5               | .9     | 7.4          | 14.0              |
| 2 6  | 6956   | 2.782                          | 3.5               | .9     | 7.6          | 14.8              |
| 2 13 | 9128   | 3.651                          | 3.6               | .7     | 7.4          | 15.3              |
| 2 20 | 6657   | 2.663                          | 3.2               | .7     | 7.1          | 13.7              |
| 2 27 | 10747  | 4.299                          | 3.4               | 1.4    | 6.8          | 15.9              |
| 3 5  | 10668  | 4.267                          | 3.3               | 1.0    | 7.5          | 16.1              |
| 3 12 | 9988   | 3.995                          | 3.5               | 1.0    | 7.6          | 16.4              |
| 3 19 | 7947   | 3.179                          | 3.1               | .9     | 6.4          | 13.6              |
| 3 26 | 6594   | 2.638                          | 1.6               | 1.1    | 3.9          | 9.2               |
| 4 2  | 10173  | 4.069                          | 1.1               | 1.1    | 2.6          | 8.9               |
| 4 9  | 8420   | 3.368                          | 1.2               | .8     | 3.0          | 8.4               |
| 4 16 | 7042   | 2.817                          | 1.2               | .5     | 3.0          | 7.5               |
| 4 23 | 5880   | 2.352                          | 1.2               | .7     | 2.9          | 7.2               |
| 4 30 | 6481   | 2.592                          | 1.1               | .6     | 2.5          | 6.8               |
| 5 7  | 5871   | 2.348                          | 1.0               | .5     | 2.5          | 6.3               |
| 5 14 | 6099   | 2.439                          | 4.0               | .6     | 9.4          | 16.4              |
| 5 21 | 5581   | 2.232                          | 3.4               | .7     | 7.4          | 13.7              |
| 5 28 | 5571   | 2.228                          | 3.5               | .8     | 6.9          | 13.4              |
| 6 4  | 6098   | 2.439                          | 2.8               | 1.1    | 6.4          | 12.7              |
| 6 11 | 6311   | 2.524                          | 3.3               | 1.2    | 6.8          | 13.8              |
| 6 18 | 8778   | 3.511                          | 3.1               | 1.5    | 7.4          | 15.5              |
| 6 25 | 8014   | 3.205                          | 2.9               | 1.5    | 5.9          | 13.5              |

540

## General Counsel's Exhibit No. 59G

DISTRICT AGENCIES HOME OFFICE COMBINED  
DEBIT LIFE NEW BUSINESS REPORTED  
CANVASSING RESULTS - WEEK BY WEEK

(Amount in Millions)

| Canvassing<br>Weeks | 1955 | Total<br>Debit Life | 1956<br>E.S.P. | Debit Life<br>Less E.S.P. |
|---------------------|------|---------------------|----------------|---------------------------|
| 1                   | 12.1 | 14.9                | 2.0            | 9.9                       |
| 2                   | 13.6 | 16.2                | 3.0            | 13.2                      |
| 3                   | 13.9 | 17.1                | 3.1            | 14.0                      |
| 4                   | 12.6 | 17.7                | 4.6            | 13.1                      |
| 5                   | 12.1 | 17.4                | 3.9            | 13.5                      |
| 6                   | 13.4 | 18.1                | 4.3            | 13.8                      |
| 7                   | 13.1 | 16.5                | 3.9            | 12.6                      |
| 8                   | 12.0 | 16.2                | 3.7            | 12.5                      |
| 9                   | 13.2 | 16.8                | 3.6            | 13.2                      |
| 10                  | 13.4 | 17.8                | 3.9            | 13.9                      |
| 11                  | 12.8 | 17.0                | 4.0            | 13.0                      |
| 12                  | 11.8 | 4.9                 | 1.6            | 3.3                       |
| 13                  | 11.1 | 5.1                 | 1.8            | 3.3                       |
| 14                  | 11.4 | 6.9                 | 2.6            | 4.3                       |
| 15                  | 11.5 | 7.4                 | 2.6            | 4.8                       |
| 16                  | 11.1 | 6.8                 | 2.4            | 4.4                       |
| 17                  | 10.3 | 6.1                 | 2.3            | 3.8                       |
| 18                  | 15.4 | 4.9                 | 1.2            | 3.7                       |
| 19                  | 13.8 | 20.7                | 2.5            | 18.2                      |
| 20                  | 14.5 | 14.5                | 1.4            | 13.1                      |
| 21                  | 13.3 | 20.6                | 5.5            | 15.1                      |
| 22                  | 10.9 | 15.0                | 3.5            | 11.5                      |
| 23                  | 12.3 | 17.6                | 3.5            | 14.1                      |
| 24                  | 11.2 | 16.8                | 3.9            | 12.9                      |
| 25                  | 11.0 | 17.0                | 4.0            | 13.0                      |
| 26                  | 10.2 | 13.4                | 2.3            | 11.1                      |

## General Counsel's Exhibit No. 59H

1955

DISTRICT AGENCIES HOME OFFICE COMBINED  
DEBIT (LIFE WITHOUT E.S.P.) NEW BUSINESS  
OFFICIAL ISSUE—WEEK BY WEEK

(Amount in Millions)

| Date | Weekly<br>Premium | Monthly<br>Debit<br>Ordinary | Inter-<br>mediate<br>Ordinary | Combined<br>Debit |
|------|-------------------|------------------------------|-------------------------------|-------------------|
| 1 3  | 2.0               | .6                           | 3.7                           | 6.3               |
| 1 10 | 3.2               | .6                           | 6.0                           | 9.8               |
| 1 17 | 3.8               | .9                           | 7.0                           | 11.7              |
| 1 24 | 3.9               | .9                           | 7.0                           | 11.8              |
| 1 31 | 3.9               | 1.1                          | 6.8                           | 11.8              |
| 2 7  | 3.5               | 1.0                          | 6.4                           | 10.9              |
| 2 14 | 3.7               | .9                           | 6.8                           | 11.4              |
| 2 21 | 3.7               | .7                           | 6.4                           | 10.8              |
| 2 28 | 3.6               | 1.2                          | 6.4                           | 11.2              |
| 3 7  | 3.8               | 1.2                          | 7.1                           | 12.1              |
| 3 14 | 4.1               | 1.0                          | 7.1                           | 12.2              |
| 3 21 | 3.8               | 1.1                          | 6.8                           | 11.7              |
| 3 28 | 3.6               | 1.1                          | 6.2                           | 10.9              |
| 4 4  | 3.2               | .8                           | 5.9                           | 9.9               |
| 4 11 | 3.4               | 1.1                          | 5.4                           | 9.9               |
| 4 18 | 3.3               | .9                           | 6.1                           | 10.3              |
| 4 25 | 3.3               | 1.0                          | 5.8                           | 10.1              |
| 5 2  | 3.0               | 1.0                          | 5.6                           | 9.6               |
| 5 9  | 4.0               | 1.0                          | 7.4                           | 12.4              |
| 5 16 | 4.0               | 1.0                          | 7.1                           | 12.1              |
| 5 23 | 3.8               | 1.6                          | 7.4                           | 12.8              |
| 5 30 | 3.4               | .8                           | 7.0                           | 11.2              |
| 6 6  | 2.8               | 1.2                          | 6.6                           | 10.6              |
| 6 13 | 3.1               | 1.2                          | 7.4                           | 11.7              |
| 6 20 | 3.0               | .8                           | 6.8                           | 10.6              |
| 6 27 | 2.8               | .9                           | 6.2                           | 9.9               |

## General Counsel's Exhibit No. 591

1956

DISTRICT AGENCIES HOME OFFICE COMBINED  
DEBIT NEW BUSINESS (EXCLUDING E.S.P.)  
OFFICIAL ISSUE—WEEK BY WEEK

(Amount in Millions)

| Date | Weekly<br>Premium | M.D.O. | Int. Ord. | Combined<br>Debit |
|------|-------------------|--------|-----------|-------------------|
| 1 2  | 1.5               | .4     | 3.4       | 5.3               |
| 1 9  | 2.2               | .5     | 5.2       | 7.9               |
| 1 16 | 3.2               | .5     | 7.1       | 10.8              |
| 1 23 | 4.7               | .6     | 7.7       | 13.0              |
| 1 30 | 3.5               | .9     | 7.4       | 11.8              |
| 2 6  | 3.5               | .9     | 7.6       | 12.0              |
| 2 13 | 3.6               | .7     | 7.4       | 11.7              |
| 2 20 | 3.2               | .7     | 7.1       | 11.0              |
| 2 27 | 3.4               | 1.4    | 6.8       | 11.6              |
| 3 5  | 3.3               | 1.0    | 7.5       | 11.8              |
| 3 12 | 3.5               | 1.0    | 7.6       | 12.1              |
| 3 19 | 3.1               | .9     | 6.4       | 10.4              |
| 3 26 | 1.6               | 1.1    | 3.9       | 6.6               |
| 4 2  | 1.1               | 1.1    | 2.6       | 4.8               |
| 4 9  | 1.2               | .8     | 3.0       | 5.0               |
| 4 16 | 1.2               | .5     | 3.0       | 4.7               |
| 4 23 | 1.2               | .7     | 2.9       | 4.8               |
| 4 30 | 1.1               | .6     | 2.5       | 4.2               |
| 5 7  | 1.0               | .5     | 2.5       | 4.0               |
| 5 14 | 4.0               | .6     | 9.4       | 14.0              |
| 5 21 | 3.4               | .7     | 7.4       | 11.5              |
| 5 28 | 3.5               | .8     | 6.9       | 11.2              |
| 6 4  | 2.8               | 1.1    | 6.4       | 10.3              |
| 6 11 | 3.3               | 1.2    | 6.8       | 11.3              |
| 6 18 | 3.1               | 1.5    | 7.4       | 12.0              |
| 6 25 | 2.9               | 1.5    | 5.9       | 10.3              |

## General Counsel's Exhibit No. 59J

DISTRICT AGENCIES—HOME OFFICE REGULAR  
ORDINARY NEW BUSINESS REPORTED CAN-  
VASSING RESULTS—WEEK BY WEEK

(Amount in Millions)

| Canvassing<br>Week | 1955 | 1956 |
|--------------------|------|------|
| 1                  | 27.5 | 27.1 |
| 2                  | 37.1 | 41.8 |
| 3                  | 37.7 | 45.4 |
| 4                  | 37.7 | 46.4 |
| 5                  | 33.8 | 44.7 |
| 6                  | 37.3 | 43.4 |
| 7                  | 37.8 | 43.0 |
| 8                  | 34.3 | 39.6 |
| 9                  | 36.2 | 43.5 |
| 10                 | 38.0 | 42.8 |
| 11                 | 40.0 | 44.0 |
| 12                 | 40.2 | 12.7 |
| 13                 | 33.8 | 11.8 |
| 14                 | 29.4 | 15.2 |
| 15                 | 41.4 | 16.2 |
| 16                 | 32.4 | 15.9 |
| 17                 | 23.4 | 15.8 |
| 18                 | 74.9 | 11.0 |
| 19                 | 52.0 | 44.8 |
| 20                 | 50.2 | 31.6 |
| 21                 | 48.4 | 59.2 |
| 22                 | 37.3 | 40.3 |
| 23                 | 34.3 | 48.0 |
| 24                 | 34.1 | 45.8 |
| 25                 | 30.8 | 52.8 |

544

## General Counsel's Exhibit No. 59K

DISTRICT AGENCIES—HOME OFFICE REGULAR  
ORDINARY PAID FOR NEW BUSINESS  
OFFICIAL ISSUE—WEEK BY WEEK

(Amount in Millions)

| Issue Week | 1955  | 1956  |
|------------|-------|-------|
| 1          | 21.6  | 17.9  |
| 2          | 14.8  | 20.9  |
| 3          | 15.4  | 18.9  |
| 4          | 17.9  | 21.2  |
| 5          | 21.2  | 22.5  |
| 6          | 22.3  | 19.0* |
| 7          | 17.5* | 20.5  |
| 8          | 23.4  | 20.5  |
| 9          | 27.1  | 34.5  |
| 10         | 26.4  | 29.8  |
| 11         | 26.7  | 31.6  |
| 12         | 26.0  | 25.4  |
| 13         | 25.5  | 22.3* |
| 14         | 17.7* | 23.9  |
| 15         | 30.0  | 23.9  |
| 16         | 24.5  | 19.4  |
| 17         | 25.6  | 18.7  |
| 18         | 24.3  | 15.5  |
| 19         | 24.1  | 13.6  |
| 20         | 25.2  | 14.5  |
| 21         | 21.3* | 26.4  |
| 22         | 31.4  | 26.4  |
| 23         | 34.5  | 28.2  |
| 24         | 31.0  | 27.5  |
| 25         | 28.9  | 28.7  |

\* Holiday week—two weeks averaged.

**General Counsel's Exhibit No. 59L****DISTRICT AGENCIES HOME OFFICE SICKNESS  
AND ACCIDENT NEW BUSINESS REPORTED  
CANVASSING RESULTS—WEEK BY WEEK****(Amount in Millions)**

| <u>Week</u> | <u>1955</u> | <u>1956</u> |
|-------------|-------------|-------------|
| 1           | 7.9         | 3.3         |
| 2           | 9.6         | 5.0         |
| 3           | 10.1        | 4.9         |
| 4           | 9.0         | 4.9         |
| 5           | 8.3         | 4.9         |
| 6           | 8.8         | 5.2         |
| 7           | 8.4         | 4.7         |
| 8           | 7.7         | 4.6         |
| 9           | 8.2         | 4.6         |
| 10          | 8.7         | 4.8         |
| 11          | 9.0         | 4.6         |
| 12          | 7.8         | 1.6         |
| 13          | 7.0         | 1.6         |
| 14          | 6.5         | 2.0         |
| 15          | 7.3         | 2.2         |
| 16          | 6.3         | 2.2         |
| 17          | 5.3         | 2.0         |
| 18          | 9.8         | 1.7         |
| 19          | 7.7         | 5.0         |
| 20          | 6.9         | 4.2         |
| 21          | 6.5         | 5.4         |
| 22          | 5.0         | 4.2         |
| 23          | 5.3         | 5.2         |
| 24          | 4.9         | 5.2         |
| 25          | 4.7         | 5.3         |
| 26          | 4.5         | 5.5         |

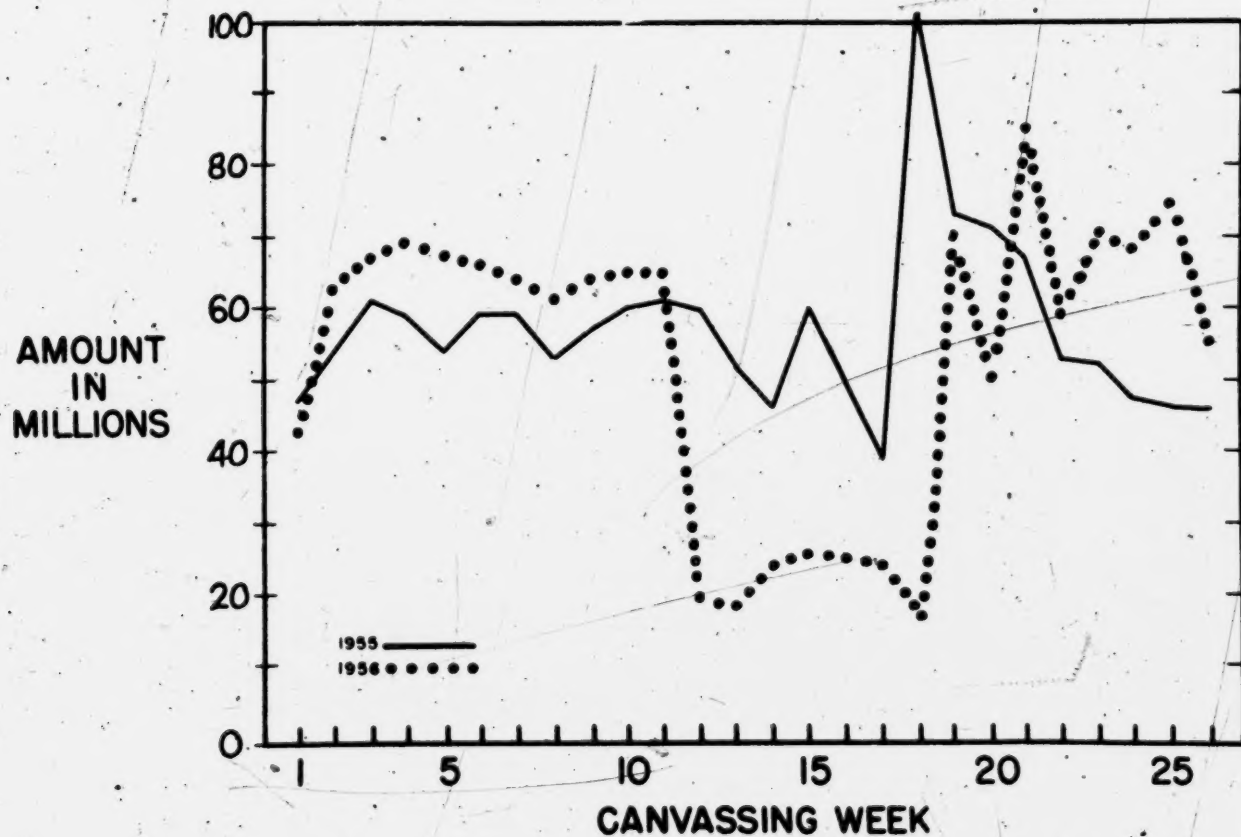
546

## General Counsel's Exhibit No. 59M

DISTRICT AGENCIES HOME OFFICE SICKNESS  
AND ACCIDENT NEW BUSINESS  
OFFICIAL ISSUE, WEEK BY WEEK

| Week | 1955                  | 1955                               | 1956                  | 1956                               |
|------|-----------------------|------------------------------------|-----------------------|------------------------------------|
|      | Premiums<br>(Dollars) | Production<br>Credit<br>(Millions) | Premiums<br>(Dollars) | Production<br>Credit<br>(Millions) |
| 1    | \$13,959.             | 5.5                                | \$5179.               | 2.0                                |
| 2    | 8,841.                | 3.5                                | 4947.                 | 1.9                                |
| 3    | 8,851.                | 3.5                                | 4969.                 | 1.9                                |
| 4    | 13,307.               | 5.3                                | 6103.                 | 2.4                                |
| 5    | 15,744.               | 6.2                                | 7049.                 | 2.8                                |
| 6    | 15,627.               | 6.2                                | 8000.                 | 3.2                                |
| 7    | 15,897.               | 6.3                                | 8586.                 | 3.4                                |
| 8    | 16,133.               | 6.4                                | 6455.                 | 2.5                                |
| 9    | 14,279.               | 5.7                                | 7676.                 | 3.0                                |
| 10   | 17,470.               | 6.9                                | 9826.                 | 3.9                                |
| 11   | 17,161.               | 6.8                                | 8819.                 | 3.5                                |
| 12   | 15,950.               | 6.3                                | 8225.                 | 3.2                                |
| 13   | 15,545.               | 6.2                                | 6224.                 | 2.4                                |
| 14   | 15,693.               | 6.2                                | 7062.                 | 2.8                                |
| 15   | 12,467.               | 4.9                                | 7782.                 | 3.1                                |
| 16   | 15,211.               | 6.0                                | 5585.                 | 2.2                                |
| 17   | 13,839.               | 5.5                                | 5304.                 | 2.1                                |
| 18   | 13,255.               | 5.3                                | 4822.                 | 1.9                                |
| 19   | 12,283.               | 4.9                                | 4994.                 | 1.9                                |
| 20   | 12,368.               | 4.9                                | 4667.                 | 1.8                                |
| 21   | 13,201.               | 5.2                                | 5086.                 | 2.0                                |
| 22   | 14,419.               | 5.7                                | 6651.                 | 2.6                                |
| 23   | 11,250.               | 4.5                                | 6239.                 | 2.4                                |
| 24   | 13,123.               | 5.2                                | 8593.                 | 3.4                                |
| 25   | 10,940.               | 4.3                                | 9300.                 | 3.7                                |
| 26   | 10,619.               | 4.2                                | 9270.                 | 3.7                                |

DISTRICT AGENCIES HOME OFFICE COMBINED ALL BRANCHES NEW BUSINESS  
REPORTED CANVASSING RESULTS - WEEK BY WEEK

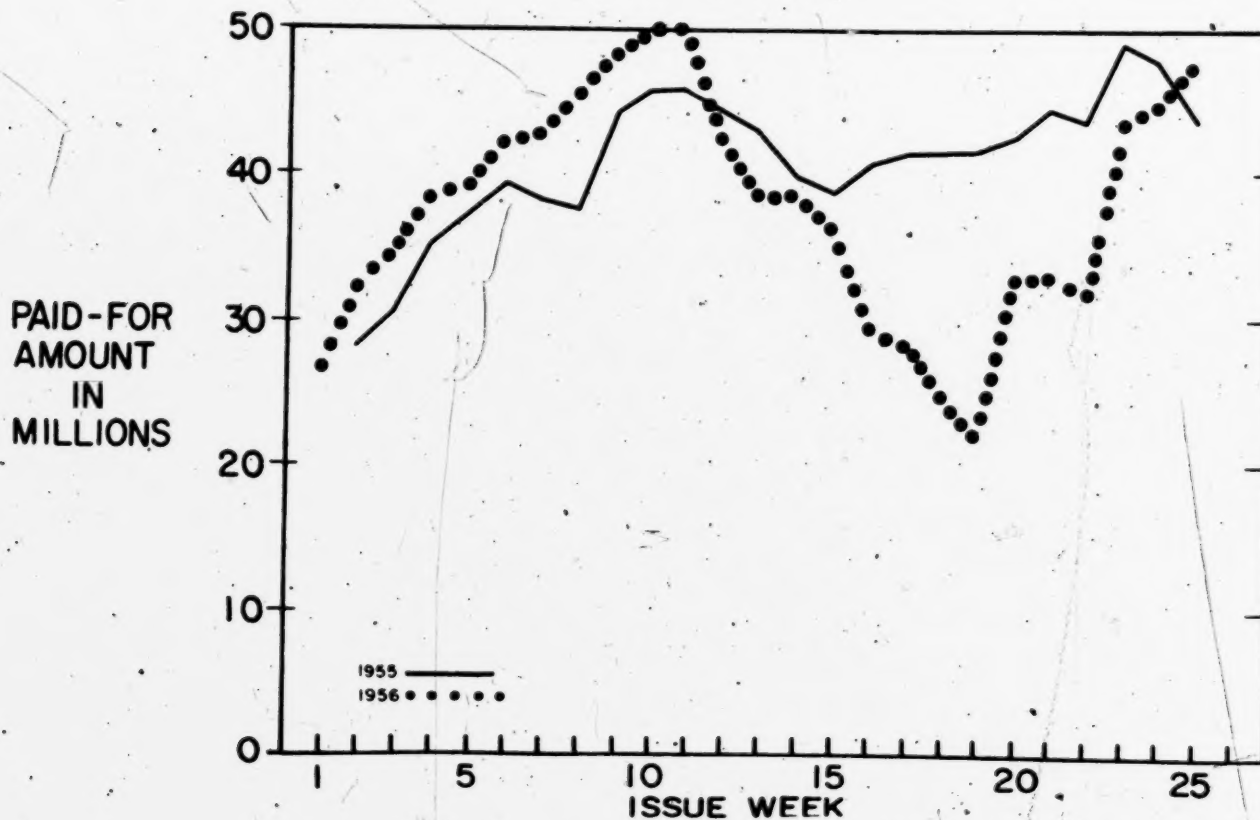


[347]

General Counsel's Exhibit No. 60A

DISTRICT AGENCIES HOME OFFICE COMBINED ALL BRANCHES NEW BUSINESS  
OFFICIAL ISSUE-WEEK BY WEEK

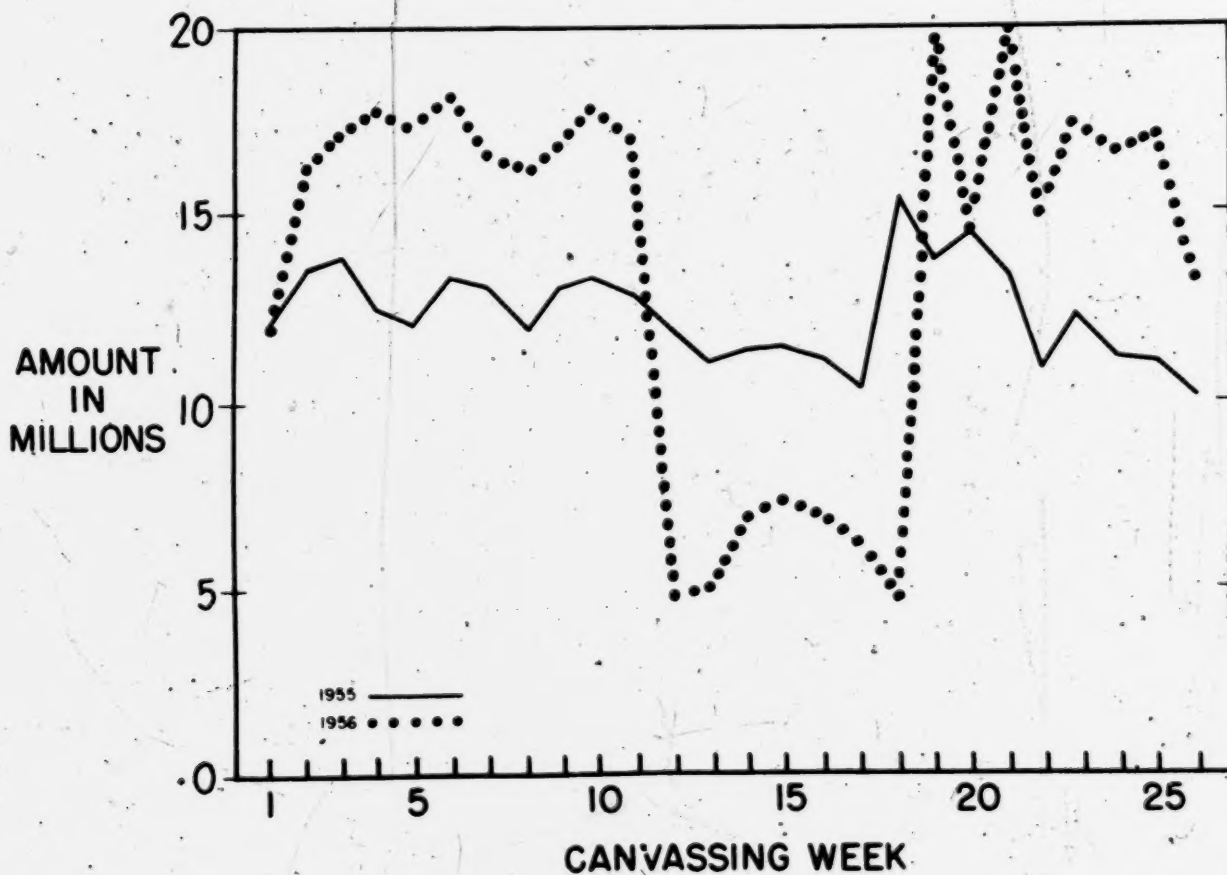
[548] 130



General Counsel's Exhibits Nos. 60B and C

DISTRICT AGENCIES HOME OFFICE COMBINED DEBIT NEW BUSINESS  
REPORTED CANVASSING RESULTS - WEEK BY WEEK

[549]



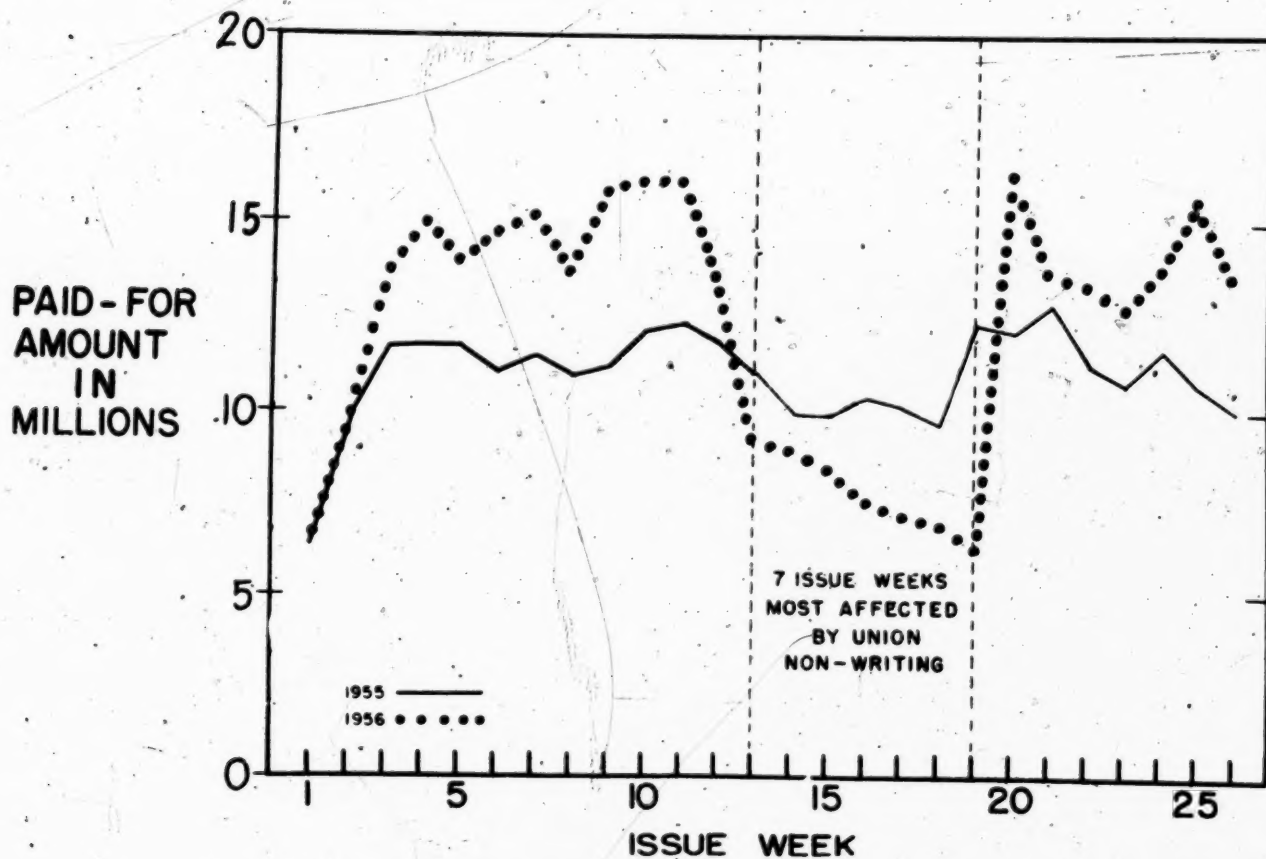
General Counsel's Exhibit No. 60D

131

DISTRICT AGENCIES HOME OFFICE COMBINED DEBIT NEW BUSINESS  
OFFICIAL ISSUE - WEEK BY WEEK

132  
[550]

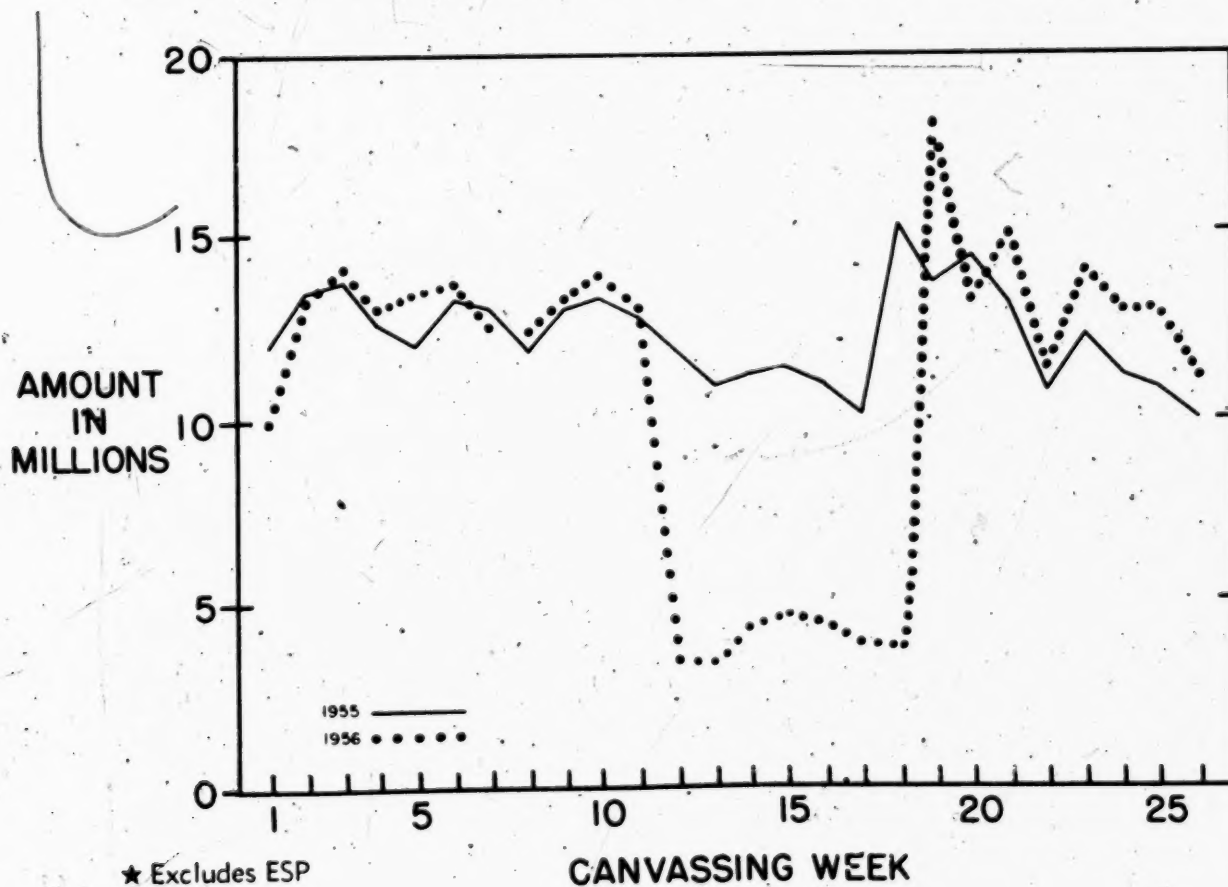
General Counsel's Exhibits Nos. 60E and F



DISTRICT AGENCIES HOME OFFICE COMBINED DEBIT NEW BUSINESS ★  
REPORTED CANVASSING RESULTS - WEEK BY WEEK

[551]

General Counsel's Exhibit No. 60G

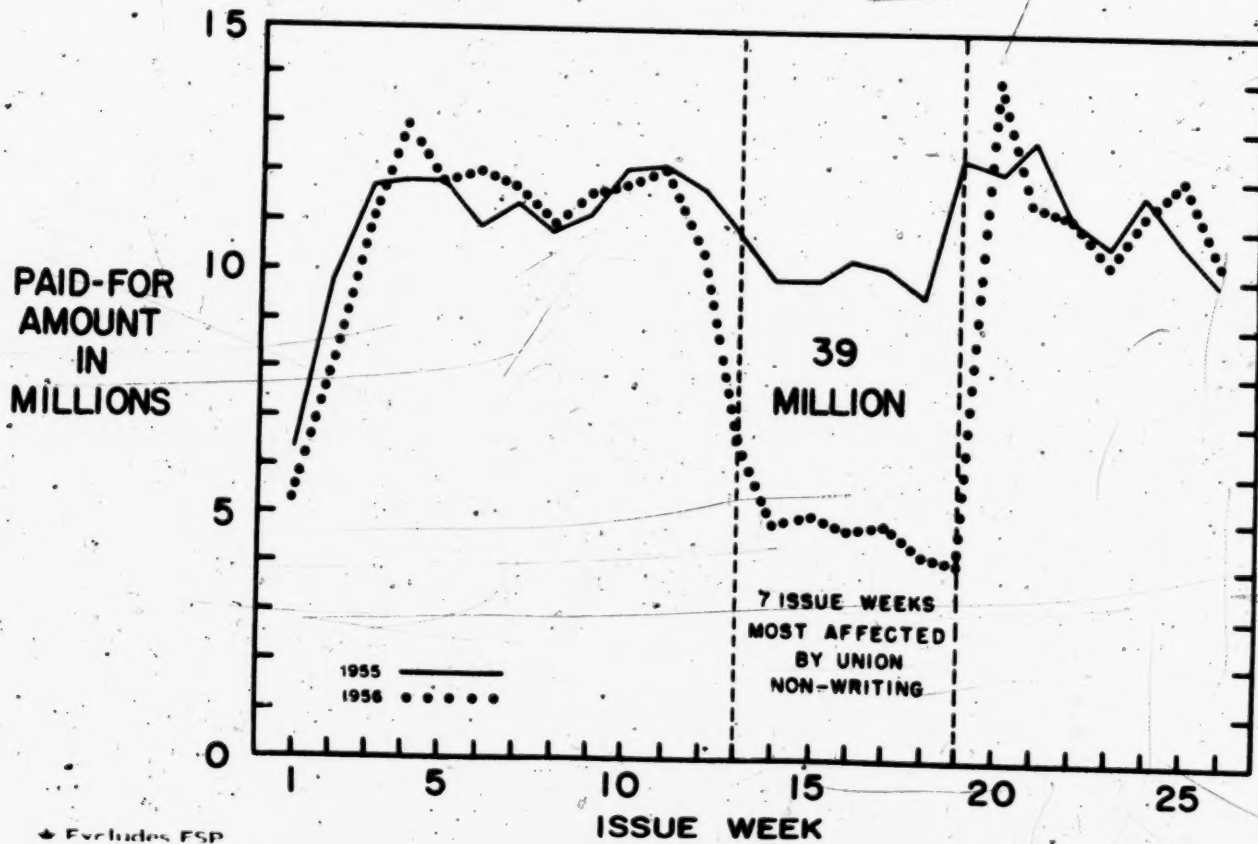


133

DISTRICT AGENCIES HOME OFFICE COMBINED DEBIT NEW BUSINESS \*  
OFFICIAL ISSUE-WEEK BY WEEK

[552] 134

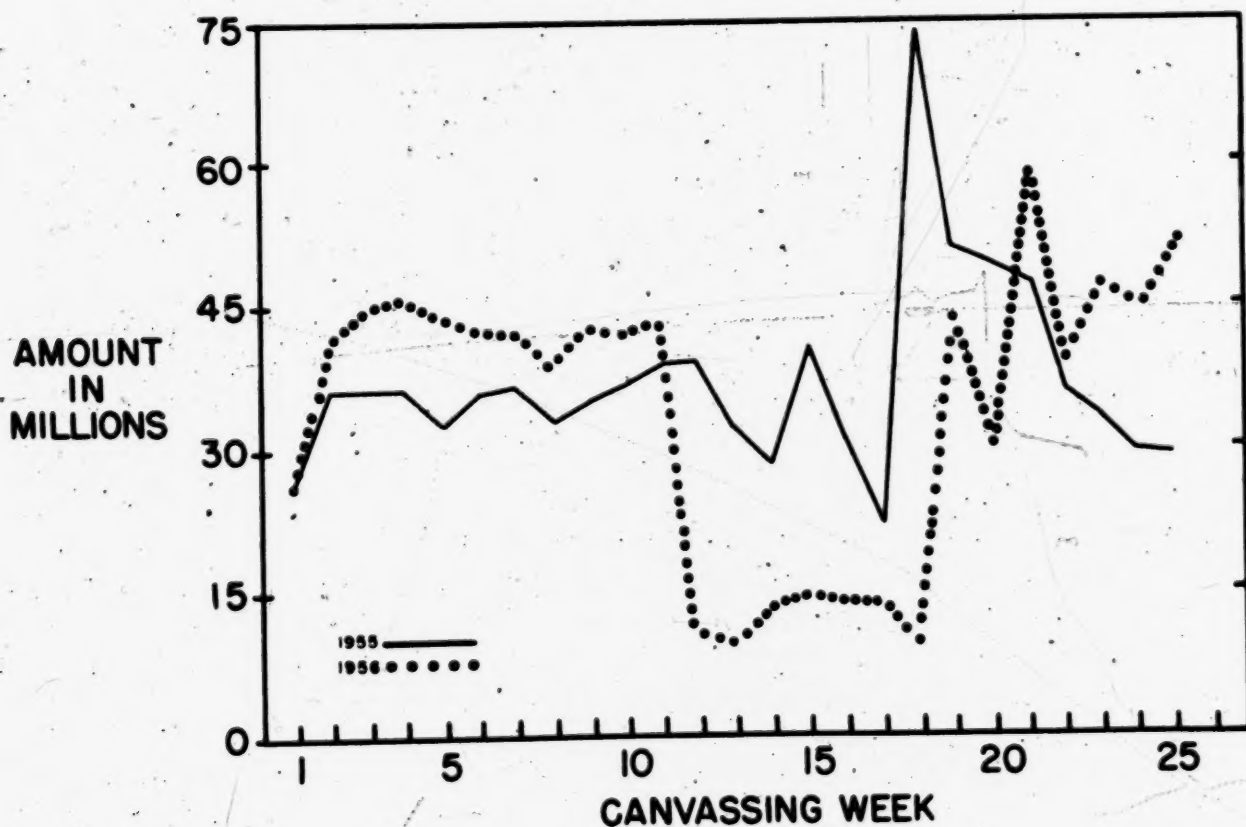
General Counsel's Exhibits Nos. 60H and I



DISTRICT AGENCIES HOME OFFICE REGULAR ORDINARY NEW BUSINESS  
REPORTED CANVASSING RESULTS-WEEK BY WEEK

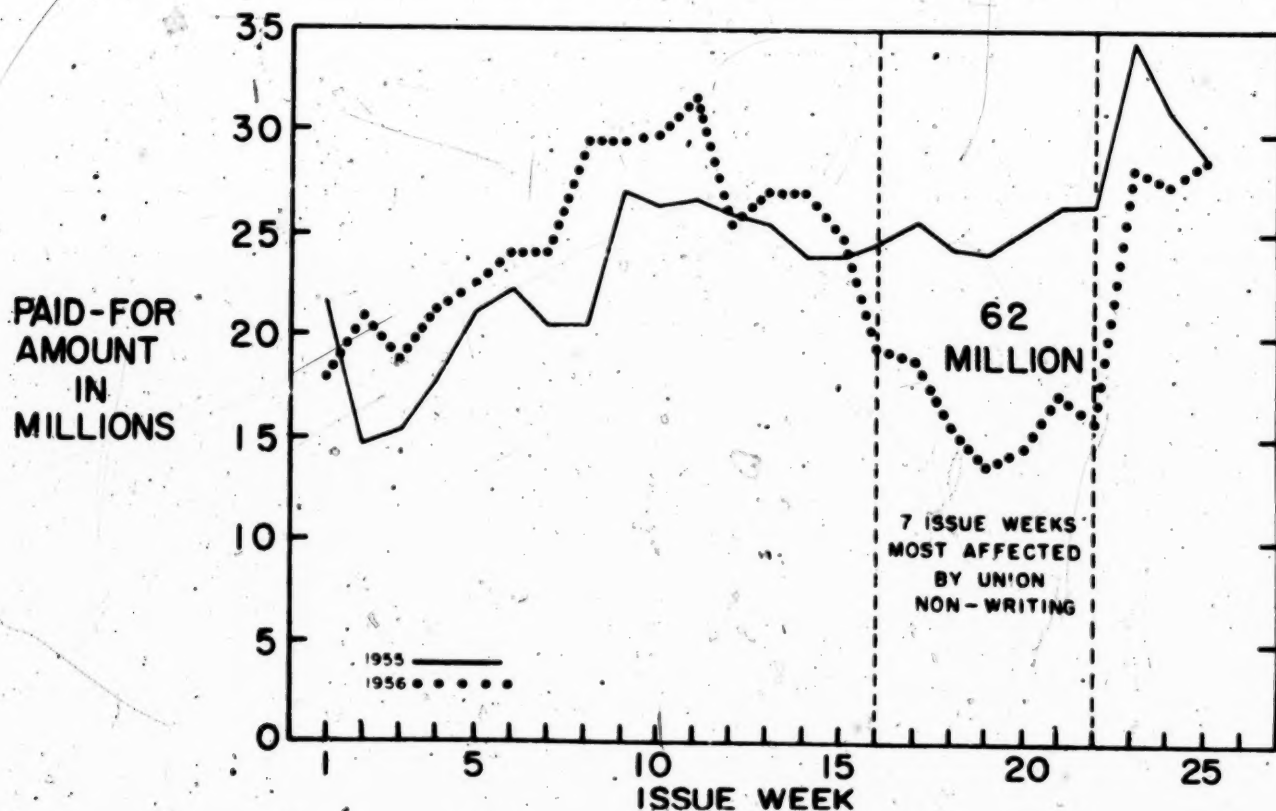
[553]

General Counsel's Exhibit No. 60J



135

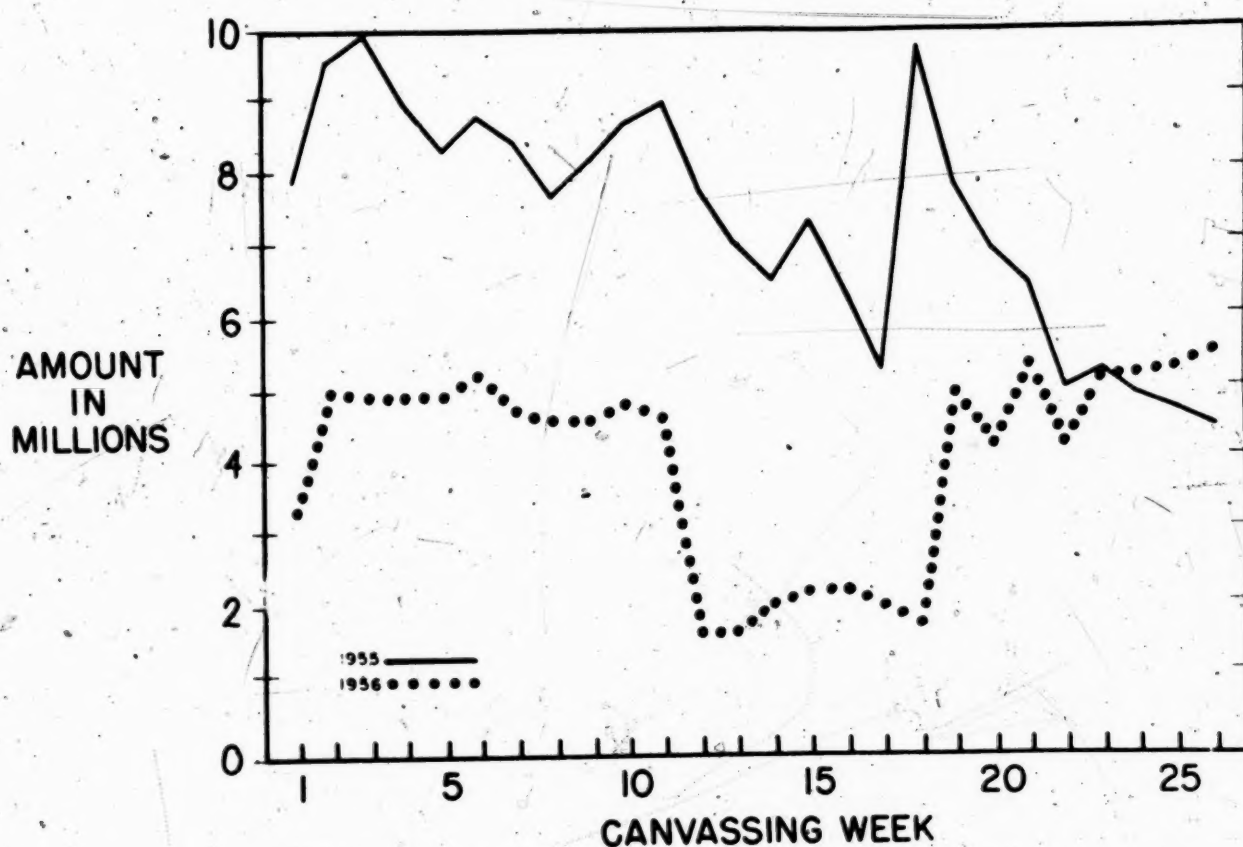
DISTRICT AGENCIES HOME OFFICE REGULAR ORDINARY NEW BUSINESS  
OFFICIAL ISSUE - WEEK BY WEEK



[554] 136

General Counsel's Exhibit No. 60K

DISTRICT AGENCIES HOME OFFICE SICKNESS & ACCIDENT NEW BUSINESS  
REPORTED CANVASSING RESULTS - WEEK BY WEEK



[555]

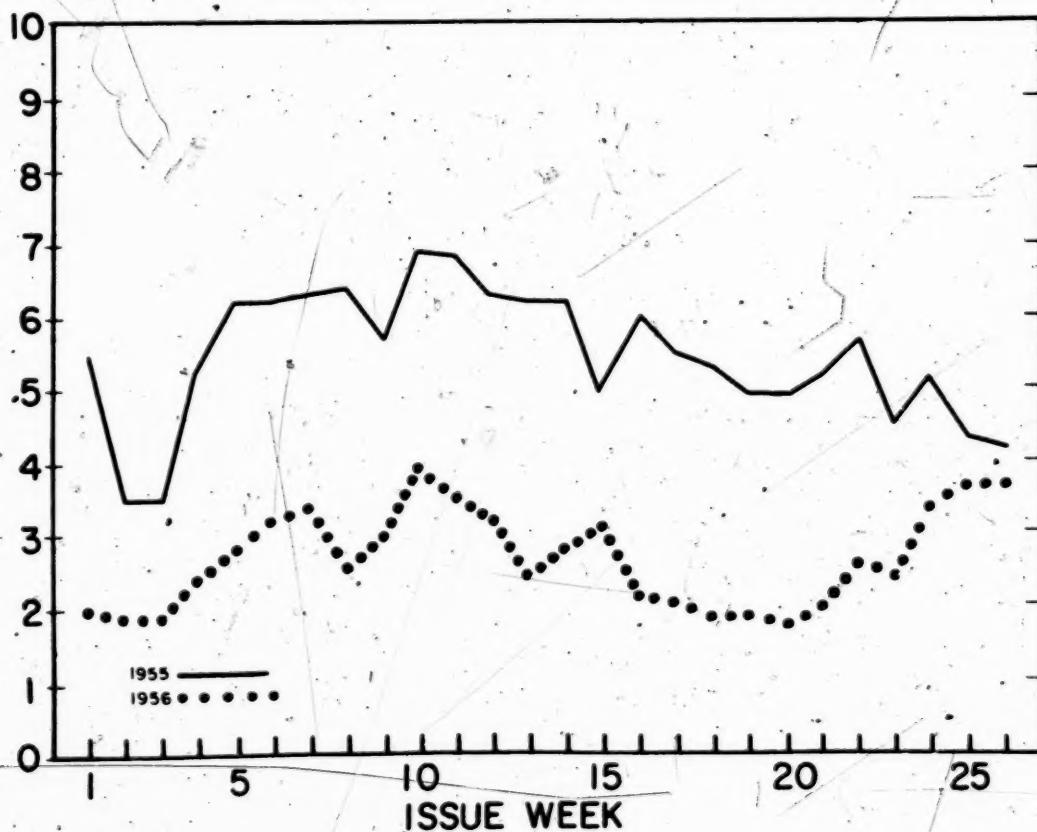
General Counsel's Exhibit No. 60L

137

DISTRICT AGENCIES HOME OFFICE SICKNESS & ACCIDENT NEW BUSINESS  
OFFICIAL ISSUE - WEEK BY WEEK

General Counsel's Exhibit No. 60M

PAID-FOR  
AMOUNT  
IN  
MILLIONS



557

**Respondent's Exhibit No. 1Y****PROCEEDINGS**

Thursday Afternoon, March 1, 1956

Friday, March 2, 1956

558 Mr. Russ: The Article that we have just been  
discussing, Article X, has been discussed with our  
559 committee. With the changes that the company is  
now willing to make, as we understand them: "Sub-  
ject to established rules and such other rules as the  
Employer shall deem necessary for the efficient and equi-  
table operation of this plan" as these established rules  
have now been read into the record, as we understand them  
to be, we are going to go along with the company's redraft  
as a part of our new contract.

We want to say in doing so we still have some qualms  
with reference to the conditions in 2(a) that we proposed,  
but we are going along with that in the hopes that we  
do now have a full understanding about the securing of  
permission from the staff manager or, in his absence, the  
manager, that this will not be abused.

I have only cited to Mr. Ferris and the committee on  
that side one instance that I knew of of abuse which was  
a very bad one. I hope no others occur, so we are going  
along with that. And that means as far as the union is  
concerned that Article X as rewritten and redrafted is  
accepted.

I also would like to say that while I was looking forward  
to getting a few more than the 1,650 days for a convention  
year, in view of my off-the-record statement to Mr. Ferris  
we are going to accept this proposal as meeting us at least  
half the way.

(Remarks off the record.)

560 So we are taking that and that will take care of  
Article XVII.

On the matter of Vacations, the union had made pro-  
posals which asked for the elimination of June 30 as the  
key date and we explained our reasons for it. We also  
had asked you to bring in a new Section 6(e) with reference  
to agents on disability.

We have discussed this matter of disability with Mr. Ferris and how he treats agents on disability who return to work, and while we still believe that there was merit to our request we understand how it is workable now. I do, more than I did before; and while we feel that the June 30 date eliminated in the contract would be more equitable we will go along with the fact that you have asked for retention of the present language in the contract.

Without making too many more comments on it, and to save time, we will agree that the present language in the contract on Article IX remain as is.

So that really gives us three under the belt today anyway.

561 Mr. Russ:

On this Article XII, which is Loss of Employer Funds, the company, in making its offer to the union, suggested a new Section 1(a)—“the use of reasonable precautions.” The union is agreeable to go along with that, so the Article as proposed by the company with Section 1(a) in it is agreeable with us.

Mr. Shepherd: Very good, George.

562 Mr. Russ: I am prepared to say something about Union Meetings. We gave a lot of consideration to our proposal and what you said about it, and while we asked in the very beginning for deletions that would give us the right of having union meetings more often than we had, we took into consideration what you had said in regard to union meetings.

We think we have gotten along all right with it, so we are perfectly willing to go along as you propose and keep the language that is in the present union contract as it is.

There you are. You have got agreement on something that you didn't expect.

Mr. Shepherd: Thank you very much.

## Respondent's Exhibit No. 12

563

## PROCEEDINGS

Saturday, March 3, 1956

564 Mr. Russ: Mr. Shepherd, on the combined Articles XIII, XIV and XV, involving Agents on Disability, this committee has decided that they will go along with the company's latest counter-proposal with reference to sending the registered mail to the addressee, to be signed by the addressee in line with what Mr. Ferris stated and in line with what we understand it to be according to these cards. That means there will be a combined Article as proposed.

Mr. Shepherd: That is right.

Mr. Russ: All right.

On the Modification and Interpretation of Section 1 of the Agent's Agreement, Article XXVII, Section 2(b), we are going to likewise accept your proposal with reference to the twelve calendar months, retaining in there your proposal on the recent three calendar month period.

565 I am not going to read it. This last changed proposal you gave me takes care of the one you proposed in the beginning of 2(b) that deletes all that; and then we are accepting, of course, the change you agreed to in 2(c) of "rendering any service . . . for which an agent is to receive directly or indirectly financial remuneration or profit from that company."

We are going along, and I might say very reluctantly, on this other—(d). We feel that there should have been a meeting of minds here; but we are going along for the period of this contract, if and when we ever get one, on what you propose and tell you it is not the intention of this union to take care of men who do work on these part-time jobs without them of course meeting the averages that are required; but at the same time we are of the firm belief that a Saturday and Sunday is the agent's Saturday and Sunday and there should not be too much interference on the part of the company regardless of what that man does.

## PROCEEDINGS

Monday, March 5, 1956

• • • • •

567 Mr. Russ: On this proposal of Article III, Check-Off of Union Dues, we will go along, leaving the sum of \$3.00 union initiation fee blank and the sum of blank dollars per month membership dues.

Mr. Ferris: Then that is accepted?

Mr. Russ: Yes, that is okay.

On the proposal of Intent and Purpose of the

568 Parties, the proposal of the company that we retain in the Agreement Article II as it now stands in the contract is agreeable with the union.

Mr. Ferris: Thank you, George.

• • • • •

569 Mr. Russ: Mr. Ferris, in view of the conversation that has been going on in regard to Article XI, the Open Debts Article, and the fact that you stated that in 5(a) it would spell out the provisions of 1, 2 and 3, limited only by the provisions of 1, 2 and 3, upon advice of counsel I am authorized, after recommendations of the committee, to tell you we will accept the Article now

570 as redrafted and resubmitted by the company, which includes Section 1(a)(4) and the entire Article.

Mr. Ferris: Thank you very much.

Thank you, Ike.

Mr. Russ: And also, in regard to Article XVI, Temporary Agents, in view of your explanation of "appointment," the committee has reviewed it and they are agreeable to that as it is now written by the company.

Mr. Ferris: Thank you again.

• • • • •

**Respondent's Exhibit No. 1SS**

**PROCEEDINGS**

Friday March 23, 1956

Friday Morning, March 23, 1956

(The meeting convened at 10:15 o'clock am.)

Present:

For the Company: Messrs. Shepherd, Ferris, Smith, Maloid, Palmer and Hahn.

For the Union: All present.

Mr. James Holden, Conciliator.

Mr. Russ: Any time you are ready, Mr. Shepherd.

Mr. Shepherd: We are ready.

When we recessed last evening, I think you had a number of your committee who wanted to ask questions or wanted to talk on this Article XXIII. Shall we resume on that?

Mr. Russ: I had a couple members of the committee that wanted to talk on it when the five o'clock recess period came along, and I assume they are prepared to talk now or ask a question or two.

Mr. Smailer:

You are not talking to individual agents. You are talking to a labor union. In the last analysis, we have merely added more negotiators. The contract has expired. Under the law of the land we are permitted to carry out certain concerted activities in order to bring the employer to a more receptive attitude toward our legal demands. We have more negotiators, and this is a labor union.

Now, let's stop talking about individual agents. I am not an agent now; I am on leave. I am a negotiator for the union.

You are talking about impairing the dignity and prestige. I don't know of any better example.

576

**Respondent's Exhibit No. 1XX**

**PROCEEDINGS**

Thursday, April 5, 1956

577 Mr. Russ: On Article VIII there was a slight  
change requested by the company which the union  
578 agreed to. That was one of the cases in which the  
company wanted to clarify an Article and we went  
along with them in the clarification of the Article because  
it had merit to it.

On Vacations the union had made a proposal for changing the vacation schedule and other vacation benefits. The company would not agree to any change in that, but we retained the Article. The union could not win any point on that at all.

On Article X, Additional Days of Permissible Absence, the union had asked for certain changes in that. We had been having trouble with Section 2(a) that you have before you. We made a proposal. The company would not go along with it. There was a change made in that. There were changes made in Article X to clarify the Article that the union went along on in the first line: "Subject to established rules and such other rules . . ." The word "established" was put in by the company.

In 1, on the second line, the word "continue" was inserted. On the third line the word "calendar" was inserted.

In the second section, first line, "who is" was inserted; "a" before "year" was inserted on the first line and on the second line "for" in front of "each"; on  
579 the fourth line "in that year" was inserted.

Under (b) of the Conditions, "pursuant to the provisions of this Article" was inserted.

These were changes that were suggested by the company. They had merit to them and we agreed wherever there was merit to these things that clarification was needed.

On the Open Debits Article, which is Article XI, there were quite a few changes made. In the first line, second, third, fourth, changes were made; Section (4) is practically a new section. There is a new Section b, and so on. All of these were discussed at length between the company and the union, and for purposes of clarification the company said, "We went along where there was merit to their discussion. We have agreed to it."

On Loss of Employer Funds, the union made a proposal and the company came along halfway and put additional language on additional precautions being taken, in addition to all the other precautions, and the union went along with that in order to arrive at a satisfactory contract. We talked about that additional language for some days. We felt it was superfluous, but finally agreed in order to make it possible to get a contract.

580 On the matter of Agents on Disability, there were three Articles in the old Agreement. We had no great problems as far as we knew with them. The company wanted to clarify them, wanted to put them together, wanted to combine them. After many days of discussion we accepted the company's idea and combined Articles XIII, XIV and XV.

As far as we were concerned (and the record will show this) we were just as happy to have Articles XIII, XIV and XV separate. They had served their purpose. I am reminded by my associates that we made proposals on there which, of course, the company rejected. We finally ended up by taking their own language and their own proposal for a combined Article.

Under Article XVI, Temporary Agents, we were very well satisfied with what we had in our old contract, but the company wanted a new Article. You have an Article on Temporary Agents that has four lines, and that is about all in it. A new Article was proposed by the company, Mr. Holden, quite an Article here, that we finally agreed to in order to again reach an Agreement. We were satisfied with the one we had in the 1954 contract.

581 On Article XVII, the union asked for additional days of absence for union purposes. The company finally split the difference with us on that and gave us 400 days against 300, and 1,650 against 1,500. The union

had asked for 500 and 1,800. They split the difference and we reached agreement on that.

Article XVIII, Agent Taking Full Time Position with the Union: The company made quite a change in that Mr. Holden. They put in a whole section which was not in the old contract, and we agreed to that.

I think up to the present time you have seen that the union has gone along with the company in agreeing on many things that they wanted proposed on what they said they wanted for clarification purposes.

On Bulletin Boards, Mr. Holden, I will speak the words of Mr. Shepherd. They took some of my life's blood there. We had a Bulletin Board Article that we agreed to which gives them a right to take off the bulletin board a notice that the grievance committee fails to remove before the next reporting day. Before the employer could not remove any notice. It had to be removed by the union committee. It had to be definitely a violation of the Agreement.

We went along with that, which gives them supervision over the bulletin board in the district office.

To show you how important this is, Mr. Holden, where they had removed the notice under the old contract we went to arbitration and won a case, so this is very important to them. Nevertheless, we gave into it. It was very important.

On Workweek, you are probably familiar with that. Because you were around and you know that after many days of argument we finally decided to retain in the contract that which was already in the contract, with certain language being read in the record and with the understanding that the union would make that language known to its membership. That is quite a concession, we believe, on the part of the union.

583 Mr. Russ: That is how far apart we were on that

Article, Mr. Holden, of Union Activities and compare that with what we had for years in the old contract and you will see how far the union has gone there to try to reach an Agreement by giving that consideration.

On Union Meetings, the union had asked for certain deletions in the contract. The company would not agree to it. We finally agreed to retain the present language.

So far there have been very few things that the union asked for that we got. The record will show that.

584 Mr. Russ: These are things the employer said they will not do. They will not interfere, but they will not write it in the contract. It is voluntary, but they will not write it in the contract. Everything they want us to do we have got to write in the contract, but if they want to do anything—poof, it doesn't mean anything as far as the contract is concerned. We are supposed to take their word all the time.

585

**Respondent's Exhibit No. I UUU**

NATIONAL LABOR RELATIONS BOARD

DOCKET No. 2-CB-726

In the Matter of:

INSURANCE AGENTS' INTERNATIONAL UNION, AFL-CIO

— and —

THE PRUDENTIAL INSURANCE COMPANY OF AMERICA

*Stipulation*

IT IS HEREBY STIPULATED by and between counsel for General Counsel, the attorneys for the complaining party, and the attorney for the Respondent herein, that this document is to be added to Respondent's Exhibit "I" and designated as Respondent's Exhibit "I UUU".

586 8. At midnight, March 22, 1956, the following proposal was presented in the office of the Federal Mediation Service for transmittal to the Union.

"The Employer has the right to add to, eliminate or reduce any debit or staff at any time and this right is not abridged, restricted, modified or subject to any of the provisions of this Agreement."

9. On March 27, 1956 the Union rejected the proposal of March 22nd and refused to make a counter proposal.

"We are not in agreement with what you want to do with the language you want to use. We are not prepared and will not make a counter-proposal because the Union wants a complete withdrawal by the company of the Debits Article, and therefore, since we want a withdrawal of the Article and want no parts of it, it certainly is not our wish to make a counter-proposal or make any suggestion as to language." (Minutes, pages 3794, 3795).

10. This proposal was renewed by the Company on April 4th and rejected by the Union.

11. On or about the 30th day of April, 1956 the Union made the following proposal to the Company, which was rejected:

"The employer has the right to add to, eliminate, or reduce any debit or staff at any time in a manner that is not arbitrary or unreasonable and this right is not abridged, restricted, modified by or subject to any of the provisions of this Agreement."

12. On or about May 1, 1956 the Company proposed that the Union accept its wording of the debit clause, with the assurance that the Company would send the following statement to its own supervisors:

#### PRUDENTIAL STATEMENT

May 1, 1956

"On February 14th the Company proposed a new Article entitled "Debits". As a result of discussions between the Company and the Union, the Company substituted for its proposal the following wording which is to be included at the end of Section 3 of Article XXX of the proposed Union Agreement:

"The Employer has the right to add to, eliminate, or reduce any debit or staff at any time and this right is not abridged, restricted, modified by or subject to any of the provisions of this Agreement."

"The Company will continue its practice of discussing the matter with the agent and will try to get his agreement to accept an addition to his debit or to give up a part of his debit. If after such discussions the agent doesn't agree to the change, the Company may exercise its right to make the necessary transfer without his consent. This will be done after careful consideration of all aspects of the problem and after the Company has determined that its interests and those of its policyholders require that the transfers be made."

13. On or about May 1st this offer was rejected by the Union.

588 14. Some time between May 9th and May 14th, 1956 the Union made the following proposal which was rejected by the Company:

"The Employer has the right to add to, eliminate, or reduce any debit or staff at any time, and this right is not abridged, restricted, modified by or subject to any of the provisions of this Agreement. In exercising this right, however, the Employer will continue its previously prevailing practice of securing the consent of an Agent in writing to any addition to or taking from his debit. If such consent cannot be obtained, the Employer will carefully consider all aspects of the problem and determine whether its interests, and those of its policyholders and Agents, require that the transfers be made. Should the Employer so determine, the Agent shall be notified. Within ten days after such notice, a Union committee may review the matter with the Manager; and if the matter is not settled thereby, the President of the Union, or his designee, can within fourteen days after discussion with the Manager, review the matter with the President of the Employer, or his designee. The transfers shall not be made without the Agent's consent, until the reviews provided for have taken place."

15. On the 25th day of May, 1956 the Union once again proposed the language set forth in "14" above. This proposal was once again rejected by the Company.

16. On the 4th day of June the Union made the following proposal, which was rejected by the Company:

"The Company and the Union agree to the insertion of the following language in Section 3 of Article XXX of the 1954 Agreement after the word 'debit':

'to add to, eliminate, or reduce any staff or debit at any time.'

"The Company does not intend any fundamental or drastic changes in its use of this right. In exercising this right, the Company will continue its previous prevailing practice of attempting to obtain the written consent of the Agent to any addition to or elimination or reduction of his debit.

589 "The discussions with the Agent will continue to be genuine good-faith explorations of the reasons why the proposed reduction, elimination or addition would or would not be in the best interests of the Agent involved, the agency force, the policyholders and the Company.

"If the written consent of the Agent cannot be obtained within a reasonable period of time, the Company will give consideration to all aspects of the problem, will exercise its best judgment and if it concludes that the reduction, elimination or addition is necessary in the best interests of the Agents, the policyholders and the Company, may make the transfers.

"The right to make the transfers will not be exercised indiscriminately or in any unfair or unreasonable way.

"Should any Agent feel that he has been treated arbitrarily, unfairly or unreasonably by a reduction, elimination or addition involving his debit, he may inform the Union; but the exercise of this right may not be made the subject of a grievance under the Agreement."

17. On the 5th day of June, 1956 the Company made the following proposal which was rejected by the Union:

"The Company is and has been expanding from its very beginning. We intend to continue to expand and to build a sound and strong agency force.

"Traditionally the Company has found it advisable in its best interests and those of its Agents to make changes in debit lines and staffs to meet situations brought about by the growth in its business, shifts in population or changes in the character of debits. This has resulted in many debits being increased by transfers and other eliminated or reduced. Policyholders have also benefited through better service. In addition, it is necessary that we keep pace with the growth in population and the economy generally by extending our services and filling the needs of the people in all areas. To accomplish these purposes and to maintain and improve the efficiency of our organization, we must continue to retain the rights we have with respect to all debits and staffs, the right to add to, eliminate, or reduce any debit or staff at any time and the right to determine its disposition.

590 "In exercising our right with respect to debits, we will continue to discuss the matter with the Agent and will try to get his agreement to accept an addition to his debit or to give up a part of his debit. If the Agent, after he has had an opportunity to consider the matter, does not agree to the change, the Company will exercise its right to make the necessary transfers without his consent. This will be done after careful consideration of all aspects of the problem and after the Company has determined that its interests and those of the policyholders require that the transfers be made.

"On February 14th the Company proposed a new Article entitled 'Debits'. As a result of discussions between the Company and the Union, the Company substituted for its proposal the following wording to be included at the end of Section 3 of Article XXX of the proposed Union Agreement:

"The Employer has the right to add to, eliminate, or reduce any debit or staff at any time and this

right is not abridged, restricted, modified by, or subject to any of the provisions of this Agreement."

"After further discussions the Company and the Union have agreed to substitute for the above wording the insertion of the following in Section 3 of Article XXX of the proposed Union Agreement:

1. After the word "debit", "the right to add to, eliminate or reduce any debit or staff at any time;" and

2. At the end of Section 3:

"These management rights are not matters to which the grievance or arbitration procedure shall apply."

18. On the 5th day of June, 1956 the Union made the following proposal:

"The Employer has the right to add to, eliminate or reduce any debit or staff at any time in a just and equitable manner and this right is not abridged, restricted, modified by or subject to any of the provisions of this Agreement."

The Company stated that this was acceptable if the words "in a just and equitable manner" were eliminated.

19. On or about June 12, 1956 the Union proposed the following:

"The right of the Employer to change the size of any staff or debit at any time, or to eliminate it, is not modified by or subject to any of the provisions of this agreement. In exercising this right, however, the Employer will continue its previously prevailing practice of attempting to obtain the written consent of an Agent to any addition to or reduction or elimination of his debit. If such consent cannot be obtained, the Employer may exercise its right to make the necessary transfers, after having afforded careful consideration to all aspects of the problem and having determined that its interests and those of its policyholders and agents require that the transfers be made."

20. On or about June 17, 1956 the Company made its counterproposal, which is reflected in Article XXVII of the 1955 contract.

Dated: New York, N. Y.  
September 21, 1956

*Counsel for the General  
Company*

ISAAC N. GRONER

*Attorney for the Respondent,*

INSURANCE AGENTS' INTER-  
NATIONAL UNION  
AFL-CIO

SHAFER & BERNSTEIN

*Attorneys for the Complai-  
ning Party, THE PRESIDENTIAL  
INSURANCE COMPANY OF  
AMERICA*

592

(File Endorsement Omitted)

IN UNITED STATES COURT OF APPEALS,  
FOR THE DISTRICT OF COLUMBIA CIRCUIT

No. 14,262

INSURANCE AGENTS' INTERNATIONAL UNION, AFL-CIO,  
*Petitioner*

v.

NATIONAL LABOR RELATIONS BOARD, *Respondent*

On Petition to Review and Set Aside and on Cross-Petition  
for Enforcement of an Order of the National Labor  
Relations Board

*Mr. Isaac N. Groner* for petitioner.

*Mr. Frederick T. Reel*, Attorney, National Labor Rela-  
tions Board, with whom *Messrs. Jerome D. Fenton*, General  
Counsel, National Labor Relations Board, *Thomas J.*  
*McDermott*, Associate General Counsel, National Labor  
Relations Board, *Marcel Mallet-Prevost*, Assistant General

Counsel, National Labor Relations Board, and *Melvin Pollack*, Attorney, National Labor Relations Board, were on the brief, for respondent.

*Mr. Nathan A. Bernstein* for Prudential Insurance Company of America, *Amicus Curiae*. *Mr. K. Norman Diamond* was on the brief for Prudential Insurance Company of America, *Amicus Curiae*.

**Opinion—Decided October 23, 1958**

Before PRETTYMAN, WILBUR K. MILLER and WASHINGTON,  
Circuit Judges.

PER CURIAM: This case involves the same question of law as was presented in *Textile Workers Union v. National Labor Relations Board*, 97 U.S. App. D.C. 35, 227 F. 2d 409 (1955), cert. granted, 350 U.S. 1004, cert. vacated, 352 U.S. 864 (1956). *Amicus* attempts to distinguish this case from *Textile Workers Union*, but we find no critical difference between the two cases. On the authority of that case, the order of the Board here under review must be set aside. One panel of this court will not attempt to overrule a recent precedent set by another panel, even though one or more of its members may disagree with the ruling.

*So ordered.*

593

(File Endorsement Omitted)

IN UNITED STATES COURT OF APPEALS  
FOR THE DISTRICT OF COLUMBIA CIRCUIT

No. 14,262

INSURANCE AGENTS' INTERNATIONAL UNION, AFL-CIO,  
*Petitioner*

v.

NATIONAL LABOR RELATIONS BOARD, *Respondent*

On Petition to Review and Set Aside and on Cross-Petition  
for Enforcement of an Order of the National Labor  
Relations Board

Before PRETTYMAN, WILBUR K. MILLER and WASHINGTON,  
Circuit Judges.

**Judgment—October 23, 1958**

This case came on to be heard on the record from the National Labor Relations Board and on a petition to review and set aside and a cross petition for enforcement of the order of the National Labor Relations Board herein, and was argued by counsel.

ON CONSIDERATION WHEREOF, it is ordered and adjudged by this court that the order of the National Labor Relations Board in this case be, and it is hereby, set aside, and that this case be, and it is hereby, remanded to the said National Labor Relations Board for further proceedings not inconsistent with the opinion of this court.

*Per Curiam.*

Dated: Oct. 23, 1958

594 (Clerk's Certificate to foregoing transcript omitted in printing)

595

SUPREME COURT OF THE UNITED STATES

October Term, 1958

No. 557

NATIONAL LABOR RELATIONS BOARD, *Petitioner,*

*vs.*

INSURANCE AGENTS INTERNATIONAL UNION, AFL-CIO

**Order Allowing Certiorari—January 26, 1959**

The petition herein for a writ of certiorari to the United States Court of Appeals for the District of Columbia Circuit is granted.

And it is further ordered that the duly certified copy of the transcript of the proceedings below which accompanied the petition shall be treated as though filed in response to such writ.

BIEFS